

By Senator Ring

32-02413B-08

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1 A bill to be entitled
2 An act relating to governmental reorganization;
3 transferring and reassigning divisions, functions, and
4 responsibilities, including records, personnel, property,
5 and unexpended balances of appropriations and other
6 resources from the Department of the Lottery, the
7 Department of Business and Professional Regulation, the
8 Department of Law Enforcement, and the Department of Legal
9 Affairs to the Department of Gaming Control; transferring
10 certain trust funds from the Department of Business and
11 Professional Regulation to the Department of Gaming
12 Control; amending s. 11.905, F.S.; requiring the review of
13 the Department of Gaming Control; amending s. 20.165,
14 F.S.; deleting the Division of Pari-mutuel Wagering within
15 the Department of Business and Professional Regulation;
16 repealing s. 20.317, F.S., relating to the Department of
17 the Lottery; creating s. 20.318, F.S.; creating the
18 Department of Gaming Control; establishing the Gaming
19 Commission as head of the Department of Gaming Control;
20 providing for membership; providing duties; providing
21 divisions and bureaus within the Department of Gaming
22 Control; requiring the department to provide advisory
23 opinions; providing that such opinions are binding to
24 certain persons; requiring the department to adopt rules
25 regarding advisory opinions; requiring the department to
26 serve as the state compliance agency; authorizing the
27 department to employ law enforcement officers; requiring
28 the department's law enforcement officers to meet certain
29 qualifications; providing that such law enforcement

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30 officers have certain authorities and powers; amending ss.
31 24.103, 24.104, 24.105, and 24.107, F.S.; conforming
32 provisions to changes made by the act; amending s. 24.108,
33 F.S.; renaming the Division of Security within the former
34 Department of the Lottery as the Division of Licensing and
35 Enforcement within the Department of Gaming Control;
36 amending ss. 24.109, 24.111, 24.112, 24.113, 24.114,
37 24.115, 24.1153, 24.116, 24.117, 24.118, 24.119, 24.120,
38 24.121, 24.1215, 24.122, 24.123, 24.124, and 112.313,
39 F.S.; conforming provisions to changes made by the act;
40 amending s. 120.80, F.S.; deleting certain exceptions and
41 special requirements regarding hearings applicable to the
42 Department of Business and Professional Regulation;
43 creating certain exceptions and special requirements
44 regarding hearings within the Department of Gaming
45 Control; amending s. 213.053, F.S.; authorizing the
46 Department of Revenue to share certain information with
47 the Division of the Lottery within the Department of
48 Gaming Control; amending s. 215.20, F.S.; requiring that
49 trust funds within the Department of Gaming Control
50 contribute to the General Revenue Fund and deleting from
51 that requirement trust funds administered by the Division
52 of Pari-mutuel Wagering; amending s. 215.22, F.S.;
53 exempting trust funds administered by the Division of the
54 Lottery from certain appropriations; amending ss. 215.422,
55 287.045, F.S.; conforming provisions to changes made by
56 the act; amending s. 455.116, F.S.; removing a trust fund
57 from the Department of Business and Professional
58 Regulation; amending s. 550.002, F.S.; providing

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59 | definitions; amending ss. 550.0115, 550.01215, 550.0235,
60 | 550.0251, 550.0351, 550.054, 550.0651, 550.0745, 550.0951,
61 | 550.09511, 550.09512, 550.09514, 550.09515, 550.105,
62 | 550.1155, 550.125, 550.135, 550.155, 550.1648, 550.175,
63 | 550.1815, 550.24055, 550.2415, 550.2614, 550.26165,
64 | 550.2625, 550.26352, 550.2704, 550.334, 550.3355,
65 | 550.3551, 550.3605, 550.3615, 550.375, 550.495, 550.505,
66 | 550.5251, 550.625, 550.6305, 550.6308, 550.70, 550.902,
67 | and 550.907, F.S.; conforming provisions to changes made
68 | by the act; amending s. 551.102, F.S.; revising
69 | definitions; amending s. 551.103, 551.104, 551.1045,
70 | 551.105, 551.106, 551.107, 551.108, 551.109, 551.112,
71 | 551.114, 551.117, 551.118, 551.121, 551.122, and 551.123,
72 | F.S.; conforming provisions to changes made by the act;
73 | amending s. 616.09; transferring authority from the
74 | Department of Legal Affairs to the Bureau of Prosecution
75 | within the Division of Licensing and Enforcement of the
76 | Department of Gaming Control to prosecute unauthorized
77 | gambling; amending s. 616.241, F.S.; providing that the
78 | Department of Gaming Control is responsible for
79 | prohibiting unauthorized gambling at certain community and
80 | local events; amending s. 849.086, F.S.; revising
81 | definitions; conforming provisions to changes made by the
82 | act; amending s. 849.094, F.S.; providing that the
83 | prohibition on gambling does not apply to the Department
84 | of Gaming Control rather than of the Department of
85 | Business and Professional Regulation; amending s. 849.161,
86 | F.S.; providing that ch. 849, F.S., pertaining to
87 | gambling, does not apply to certain truck stops having

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88 amusement games or machines; providing definitions;
89 requiring the department to adopt rules pertaining to
90 skill-based gaming; providing requirements for those
91 rules; requiring the department to conduct investigations
92 necessary for fulfilling its responsibilities under ch.
93 849, F.S.; providing that the department and other law
94 enforcement agencies have concurrent jurisdiction to
95 investigate criminal violations; authorizing the
96 department and local law enforcement agencies unrestricted
97 access to a licensee's facility for certain purposes;
98 authorizing the department to collect certain assessments
99 and to deny, revoke, or suspend a person's license under
100 certain circumstances; requiring a skill-based operator to
101 pay a license fee; requiring the Division of Licensing and
102 Enforcement to evaluate the operator license fee and make
103 recommendations to the Legislature; providing the tax rate
104 on revenues from skill-based machines; requiring the tax
105 to be paid to a Florida Gaming Trust Fund; requiring the
106 slot machine licensee to remit a tax on slot machine
107 revenues and file a report; providing for penalties;
108 authorizing the Division of Licensing and Enforcement to
109 require operators to remit certain assessments by
110 electronic funds transfer; amending s. 943.0311, F.S.;
111 defining the Department of Gaming Control as a state
112 agency with regard to domestic security; providing an
113 effective date.

114
115 Be It Enacted by the Legislature of the State of Florida:
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117 Section 1. Transfers.-

118 (1) All of the statutory powers, duties and functions,
119 records, personnel, property, and unexpended balances of
120 appropriations, allocations, or other funds for the
121 administration of chapter 24, Florida Statutes, are transferred
122 by a type two transfer, as defined in s. 20.06(2), Florida
123 Statutes, from the Department of the Lottery to the Division of
124 the Lottery within the Department of Gaming Control.

125 (2) All of the statutory powers, duties and functions,
126 records, personnel, property, and unexpended balances of
127 appropriations, allocations, or other funds for the
128 administration of chapter 550, Florida Statutes, are transferred
129 by a type two transfer, as defined in s. 20.06(2), Florida
130 Statutes, from the Division of Pari-mutuel Wagering of the
131 Department of Business and Professional Regulation to the Bureau
132 of Pari-mutuel Wagering within the Division of Gambling Oversight
133 of the Department of Gaming Control.

134 (3) All of the statutory powers, duties and functions,
135 records, personnel, property, and unexpended balances of
136 appropriations, allocations, or other funds for the
137 administration of s. 849.086, Florida Statutes, are transferred
138 by a type two transfer, as defined in s. 20.06(2), Florida
139 Statutes, from the Division of Pari-mutuel Wagering of the
140 Department of Business and Professional Regulation to the Bureau
141 of Cardrooms within the Division of Gambling Oversight of the
142 Department of Gaming Control.

143 (4) All of the statutory powers, duties and functions,
144 records, personnel, property, and unexpended balances of
145 appropriations, allocations, or other funds for the

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146 administration of chapter 551, Florida Statutes, are transferred
147 by a type two transfer, as defined in s. 20.06(2), Florida
148 Statutes, from the Division of Pari-mutuel Wagering of the
149 Department of Business and Professional Regulation to the Bureau
150 of Slot Machines within the Division of Gambling Oversight of the
151 Department of Gaming Control.

152 (5) All of the statutory powers, duties and functions,
153 records, personnel, property, and unexpended balances of
154 appropriations, allocations, or other funds of the Department of
155 Law Enforcement regarding the regulation of slot machine gaming
156 are transferred by a type two transfer, as defined in s.
157 20.06(2), Florida Statutes, to the Division of Licensing and
158 Enforcement of the Department of Gaming Control.

159 (6) All of the statutory powers, duties and functions,
160 records, personnel, property, and unexpended balances of
161 appropriations, allocations, or other funds of the Department of
162 Legal Affairs regarding:

163 (a) The regulation of slot machine licensing are
164 transferred by a type two transfer, as defined in s. 20.06(2),
165 Florida Statutes, to the Bureau of Slot Machines within the
166 Division of Gambling Oversight and the Division of Licensing and
167 Enforcement of the Department of Gaming Control.

168 (b) The prosecution of illegal gambling are transferred by
169 a type two transfer, as defined in s. 20.06(2), Florida Statutes,
170 to the Bureau of Prosecution of the Division of Licensing and
171 Enforcement of the Department of Gaming Control.

172 (7) (a) The following trust funds are transferred from the
173 Division of Pari-mutuel Wagering of the Department of Business
174 and Professional Regulation to the Bureau of Pari-mutuel Wagering

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175 within the Division of Gambling Oversight of the Department of
176 Gaming:

177 1. Pari-mutuel Wagering Trust Fund.

178 2. Racing Scholarship Trust Fund.

179 (b) The Operating Trust Fund within the Department of the
180 Lottery is transferred to the Division of the Lottery within the
181 Department of Gaming Control.

182 Section 2. Paragraph (e) of subsection (3) of section
183 11.905, Florida Statutes, is amended to read:

184 11.905 Schedule for reviewing state agencies and advisory
185 committees.--The following state agencies, including their
186 advisory committees, or the following advisory committees of
187 agencies shall be reviewed according to the following schedule:

188 (3) Reviewed by July 1, 2012:

189 (e) Department of Gaming Control ~~the Lottery~~.

190 Section 3. Subsection (2) of section 20.165, Florida
191 Statutes, is amended to read:

192 20.165 Department of Business and Professional
193 Regulation.--There is created a Department of Business and
194 Professional Regulation.

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

197 (a) Division of Administration.

198 (b) Division of Alcoholic Beverages and Tobacco.

199 (c) Division of Certified Public Accounting.

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

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

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

207 (e) Division of Hotels and Restaurants.

208 ~~(f) Division of Pari-mutuel Wagering.~~

209 (f) (g) Division of Professions.

210 (g) (h) Division of Real Estate.

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

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

215 (i) Division of Regulation.

216 (j) Division of Technology, Licensure, and Testing.

217 Section 4. Section 20.317, Florida Statutes, is repealed.

218 Section 5. Section 20.318, Florida Statutes, is created to
219 read:

220 20.318 Department of Gaming Control.--There is created a
221 Department of Gaming Control.

222 (1) GAMING COMMISSION.--There is created the Gaming
223 Commission, composed of five members appointed by the Governor,
224 subject to confirmation by the Senate. The commission members
225 shall serve as agency head of the Department of Gaming Control.
226 The commission shall be responsible for hiring and firing the
227 executive director and general counsel.

228 (2) DIVISIONS.--The Department of Gaming Control shall
229 consist of the following divisions:

230 (a) The Division of the Lottery.

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231 (b) The Division of Licensing and Enforcement, which shall
232 include the following bureaus.

- 233 1. The Bureau of Licensing.
234 2. The Bureau of Revenue and Audit.
235 3. The Bureau of Investigation.
236 4. The Bureau of Enforcement.
237 5. The Bureau of Prosecution.

238 (c) The Division of Gambling Oversight, which shall include
239 the following bureaus:

- 240 1. The Bureau of Pari-mutuel Wagering.
241 2. The Bureau of Cardrooms.
242 3. The Bureau of Slot Machines.
243 4. The Bureau of Charitable Gaming.
244 5. The Bureau of Compulsive Gambling.

245 (3) ADVISORY OPINIONS.--The department shall provide
246 advisory opinions when requested by any law enforcement official,
247 state attorney, or entity licensed by the department relating to
248 any the application of state gaming laws with respect to whether
249 a particular act or device constitutes legal or illegal gambling
250 under state laws and administrative rules adopted thereunder. A
251 written record of all such opinions issued by the department,
252 sequentially numbered, dated, and indexed by subject matter shall
253 be retained. Repayment of a loan made from the fund may be
254 collected by the method provided for in ss. 197.3632 and 197.3635
255 for non-ad valorem assessments, and may also be collected by any
256 alternative method that is authorized by law. Any such person or
257 entity, acting in good faith upon an advisory opinion that such
258 person or entity requested and received, is not subject to any
259 criminal penalty provided for under state law for illegal

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260 gambling. The opinion, until amended or revoked, is binding on
261 any person or entity who sought the opinion or with reference to
262 whom the opinion was sought, unless material facts were omitted
263 or misstated in the request for the advisory opinion. The
264 department may adopt rules regarding the process for securing an
265 advisory opinion and may require in those rules the submission of
266 any potential gaming apparatus for testing by a licensed testing
267 laboratory to prove or disproved its compliance with state law
268 before the issuance of an opinion by the department.

269 (4) STATE COMPLIANCE AGENCY.--The department shall serve as
270 the state compliance agency that is responsible for oversight
271 responsibilities under any tribal gaming compact entered into by
272 the state.

273 (5) LAW ENFORCEMENT OFFICERS.--The department may employ
274 sworn law enforcement officers within the Bureau of Enforcement
275 to enforce any criminal law, conduct any criminal investigation,
276 or enforce the provisions of any statute or any other laws of
277 this state related to gambling or the state lottery.

278 (a) Each law enforcement officer shall meet the
279 qualifications of law enforcement officers under s. 943.13 and
280 shall be certified as a law enforcement officer by the Department
281 of Law Enforcement under chapter 943. Upon certification, each
282 law enforcement officer is subject to and shall have authority
283 provided for law enforcement officers generally in chapter 901
284 and shall have statewide jurisdiction. Each officer shall also
285 have arrest authority as provided for state law enforcement
286 officers in s. 901.15 and full law enforcement powers granted to
287 other peace officers of this state, including the authority to
288 make arrests, carry firearms, serve court process, and seize

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289 contraband and the proceeds of illegal activities.

290 (b) The department may also appoint part-time, reserve, or
291 auxiliary law enforcement officers under chapter 943.

292 (c) Each law enforcement officer of the department, upon
293 certification under s. 943.1395, has the same right and authority
294 to carry arms as do the sheriffs of this state.

295 (d) Each law enforcement officer in the state who is
296 certified pursuant to chapter 943 has the same authority as law
297 enforcement officers designated in this section to enforce the
298 laws of this state as described in this subsection.

299 Section 6. Section 24.103, Florida Statutes, is amended to
300 read:

301 24.103 Definitions.--As used in this act:

302 (1) "Department" means the Department of Gaming Control ~~the~~
303 ~~Lottery.~~

304 (2) "Division" means the Division of the Lottery.

305 ~~"Secretary" means the secretary of the department.~~

306 (3) "Person" means any individual, firm, association, joint
307 adventure, partnership, estate, trust, syndicate, fiduciary,
308 corporation, or other group or combination and shall include any
309 agency or political subdivision of the state.

310 (4) "Major procurement" means a procurement for a contract
311 for the printing of tickets for use in any lottery game,
312 consultation services for the startup of the lottery, any goods
313 or services involving the official recording for lottery game
314 play purposes of a player's selections in any lottery game
315 involving player selections, any goods or services involving the
316 receiving of a player's selection directly from a player in any
317 lottery game involving player selections, any goods or services

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318 involving the drawing, determination, or generation of winners in
319 any lottery game, the security report services provided for in
320 this act, or any goods and services relating to marketing and
321 promotion which exceed a value of \$25,000.

322 (5) "Retailer" means a person who sells lottery tickets on
323 behalf of the division ~~department~~ pursuant to a contract.

324 (6) "Vendor" means a person who provides or proposes to
325 provide goods or services to the division ~~department~~, but does
326 not include an employee of the division ~~department~~, a retailer,
327 or a state agency.

328 (7) "Commission" means the Gaming Commission.

329 Section 7. Section 24.104, Florida Statutes, is amended to
330 read:

331 24.104 Division of the Lottery ~~Department~~; purpose.--The
332 purpose of the division ~~department~~ is to operate the state
333 lottery as authorized by s. 15, Art. X of the State Constitution
334 so as to maximize revenues in a manner consonant with the dignity
335 of the state and the welfare of its citizens.

336 Section 8. Section 24.105, Florida Statutes, is amended to
337 read:

338 24.105 Powers and duties of the division ~~department~~.--The
339 division ~~department~~ shall:

340 (1) Have the authority to sue or be sued in the corporate
341 name of the department and to adopt a corporate seal and symbol.

342 (2) Supervise and administer the operation of the lottery
343 in accordance with the provisions of this act and rules adopted
344 pursuant thereto.

345 (3) For purposes of any investigation or proceeding
346 conducted by the division ~~department~~, have the power to

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347 administer oaths, require affidavits, take depositions, issue
348 subpoenas, and compel the attendance of witnesses and the
349 production of books, papers, documents, and other evidence.

350 (4) Submit monthly and annual reports to the Governor, the
351 Chief Financial Officer, the President of the Senate, and the
352 Speaker of the House of Representatives disclosing the total
353 lottery revenues, prize disbursements, and other expenses of the
354 division ~~department~~ during the preceding month. The annual report
355 shall additionally describe the organizational structure of the
356 division ~~department~~, including its hierarchical structure, and
357 shall identify the divisions and bureaus created by the
358 commission ~~secretary~~ and summarize the divisions' ~~departmental~~
359 functions performed by each.

360 (5) Adopt by rule a system of internal audits.

361 (6) Maintain weekly or more frequent records of lottery
362 transactions, including the distribution of tickets to retailers,
363 revenues received, claims for prizes, prizes paid, and other
364 financial transactions of the division ~~department~~.

365 (7) Make a continuing study of the lottery to ascertain any
366 defects of this act or rules adopted thereunder which could
367 result in abuses in the administration of the lottery; make a
368 continuing study of the operation and the administration of
369 similar laws in other states and of federal laws which may affect
370 the lottery; and make a continuing study of the reaction of the
371 public to existing and potential features of the lottery.

372 (8) Conduct such market research as is necessary or
373 appropriate, which may include an analysis of the demographic
374 characteristics of the players of each lottery game and an

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375 analysis of advertising, promotion, public relations, incentives,
376 and other aspects of communications.

377 (9) Adopt rules governing the establishment and operation
378 of the state lottery, including:

379 (a) The type of lottery games to be conducted, except that:

380 1. The ~~No~~ name of an elected official may not ~~shall~~ appear
381 on the ticket or play slip of any lottery game or on any prize or
382 on any instrument used for the payment of prizes, unless such
383 prize is in the form of a state warrant.

384 2. ~~No~~ Coins or currency may not ~~shall~~ be dispensed from any
385 electronic computer terminal or device used in any lottery game.

386 3. Other than as provided in subparagraph 4., a ~~no~~ terminal
387 or device may not be used for any lottery game that is ~~which may~~
388 ~~be~~ operated solely by the player without the assistance of the
389 retailer.

390 4. The only player-activated machine that ~~which~~ may be used
391 ~~utilized~~ is a machine that ~~which~~ dispenses instant lottery game
392 tickets following the insertion of a coin or currency by a ticket
393 purchaser. To be authorized a machine must: be under the
394 supervision and within the direct line of sight of the lottery
395 retailer to ensure that the machine is monitored and ~~only~~
396 operated only by persons at least 18 years of age; be capable of
397 being electronically deactivated by the retailer to prohibit use
398 by persons less than 18 years of age through the use of a lockout
399 device that maintains the machine's deactivation for a period of
400 no less than 5 minutes; and be designed to prevent its use or
401 conversion for use in any manner other than the dispensing of
402 instant lottery tickets. Authorized machines may dispense change
403 to players purchasing tickets but may not be used ~~utilized~~ for

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404 | paying the holders of winning tickets of any kind. At least one
405 | clerk must be on duty at the lottery retailer while the machine
406 | is in operation. However, at least two clerks must be on duty at
407 | any lottery location which has violated s. 24.1055.

408 | (b) The sales price of tickets.

409 | (c) The number and sizes of prizes.

410 | (d) The method of selecting winning tickets. However, if a
411 | lottery game involves a drawing, the drawing shall be public and
412 | witnessed by an accountant employed by an independent certified
413 | public accounting firm. The equipment used in the drawing shall
414 | be inspected before and after the drawing.

415 | (e) The manner of payment of prizes to holders of winning
416 | tickets.

417 | (f) The frequency of drawings or selections of winning
418 | tickets.

419 | (g) The number and type of locations at which tickets may
420 | be purchased.

421 | (h) The method to be used in selling tickets.

422 | (i) The manner and amount of compensation of retailers.

423 | (j) Such other matters necessary or desirable for the
424 | efficient or economical operation of the lottery or for the
425 | convenience of the public.

426 | (10) Notwithstanding the provisions of chapter 286, have
427 | the authority to hold patents, copyrights, trademarks, and
428 | service marks and enforce its rights with respect thereto. The
429 | division ~~department~~ shall notify the Department of State in
430 | writing whenever property rights by patent, copyright, or
431 | trademark are secured by the division ~~department~~.

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432 (11) In the selection of games and method of selecting
433 winning tickets, be sensitive to the impact of the lottery upon
434 the pari-mutuel industry and, accordingly, the division
435 ~~department~~ may use for any game the theme of horseracing,
436 dogracing, or jai alai and may allow a lottery game to be based
437 upon a horserace, dograce, or jai alai activity so long as the
438 outcome of such lottery game is determined entirely by chance.

439 (12) (a) Determine by rule information relating to the
440 operation of the lottery which is confidential and exempt from
441 the provisions of s. 119.07(1) and s. 24(a), Art. I of the State
442 Constitution. Such information includes trade secrets; security
443 measures, systems, or procedures; security reports; information
444 concerning bids or other contractual data, the disclosure of
445 which would impair the efforts of the division ~~department~~ to
446 contract for goods or services on favorable terms; employee
447 personnel information unrelated to compensation, duties,
448 qualifications, or responsibilities; and information obtained by
449 the Division of Licensing and Enforcement ~~Security~~ pursuant to
450 its investigations which is otherwise confidential. To be deemed
451 confidential, the information must be necessary to the security
452 and integrity of the lottery. Confidential information may be
453 released to other governmental entities as needed in connection
454 with the performance of their duties. The receiving governmental
455 entity shall retain the confidentiality of such information as
456 provided for in this subsection.

457 (b) Maintain the confidentiality of the street address and
458 the telephone number of a winner, in that such information is
459 confidential and exempt from the provisions of s. 119.07(1) and
460 s. 24(a), Art. I of the State Constitution, unless the winner

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461 consents to the release of such information or as provided for in
462 s. 24.115(4) or s. 409.2577.

463 (c) Any information made confidential and exempt from the
464 provisions of s. 119.07(1) under this subsection shall be
465 disclosed to the Auditor General, to the Office of Program Policy
466 Analysis and Government Accountability, or to the independent
467 auditor selected under s. 24.123 upon such person's request
468 therefor. If the President of the Senate or the Speaker of the
469 House of Representatives certifies that information made
470 confidential under this subsection is necessary for effecting
471 legislative changes, the requested information shall be disclosed
472 to him or her, and he or she may disclose such information to
473 members of the Legislature and legislative staff as necessary to
474 effect such purpose.

475 (13) Have the authority to perform any of the functions of
476 the Department of Management Services under chapter 255, chapter
477 273, chapter 281, chapter 283, or chapter 287, or any rules
478 adopted under any such chapter, and may grant approvals provided
479 for under any such chapter or rules. If the division ~~department~~
480 finds, by rule, that compliance with any such chapter would
481 impair or impede the effective or efficient operation of the
482 lottery, the division ~~department~~ may adopt rules providing
483 alternative procurement procedures. Such alternative procedures
484 shall be designed to allow the division ~~department~~ to evaluate
485 competing proposals and select the proposal that provides the
486 greatest long-term benefit to the state with respect to the
487 quality of the products or services, dependability and integrity
488 of the vendor, dependability of the vendor's products or

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489 services, security, competence, timeliness, and maximization of
490 gross revenues and net proceeds over the life of the contract.

491 (14) Have the authority to acquire real property and make
492 improvements thereon. The title to such property shall be vested
493 in the Board of Trustees of the Internal Improvement Trust Fund.
494 The board shall give the division ~~department~~ preference in
495 leasing state-owned lands under the board's control and may not
496 exercise any jurisdiction over lands purchased or leased by the
497 division ~~department~~ while such lands are actively used by the
498 division ~~department~~. Actions of the division ~~department~~ under
499 this subsection are exempt from the time limitations and
500 deadlines of chapter 253.

501 (15) Have the authority to charge fees to persons applying
502 for contracts as vendors or retailers, which fees are reasonably
503 calculated to cover the costs of investigations and other
504 activities related to the processing of the application.

505 (16) Enter into contracts for the purchase, lease, or
506 lease-purchase of such goods and services as are necessary for
507 the operation and promotion of the state lottery, including
508 assistance provided by any governmental agency.

509 (17) In accordance with the provisions of this act, enter
510 into contracts with retailers so as to provide adequate and
511 convenient availability of tickets to the public for each game.

512 (18) Have the authority to enter into agreements with other
513 states for the operation and promotion of a multistate lottery if
514 such agreements are in the best interest of the state lottery.
515 The authority conferred by this subsection is not effective until
516 1 year after the first day of lottery ticket sales.

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517 (19) Employ a division director, bureau chiefs, directors
518 and other staff as may be necessary to carry out the provisions
519 of this act; however:

520 (a) A ~~No~~ person may not shall be employed by the division
521 ~~department~~ who has been convicted of, or entered a plea of guilty
522 or nolo contendere to, a felony committed in the preceding 10
523 years, regardless of adjudication, unless the division department
524 determines that:

525 1. The person has been pardoned or his or her civil rights
526 have been restored; or

527 2. Subsequent to such conviction or entry of plea the
528 person has engaged in the kind of law-abiding commerce and good
529 citizenship that would reflect well upon the integrity of the
530 lottery.

531 (b) An ~~No~~ officer or employee of the division department
532 having decisionmaking authority may not shall participate in any
533 decision involving any vendor or retailer with whom the officer
534 or employee has a financial interest. ~~No~~ Such officer or employee
535 may not participate in any decision involving any vendor or
536 retailer with whom the officer or employee has discussed
537 employment opportunities without the approval of the commission
538 ~~secretary~~ or, if such person officer is a member of the
539 commission the secretary, without the approval of the Governor.
540 Any officer or employee of the division department shall notify
541 the commission secretary of any such discussion or, if such
542 person is a member of the commission officer is the secretary, he
543 or she shall notify the Governor. A violation of this paragraph
544 is punishable in accordance with s. 112.317.

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545 (c) An ~~No~~ officer or employee of the division ~~department~~
546 who leaves the employ of the department may not ~~shall~~ represent
547 any vendor or retailer before the division ~~department~~ regarding
548 any specific matter in which the officer or employee was involved
549 while employed by the division ~~department~~, for a period of 1 year
550 following cessation of employment with the division ~~department~~. A
551 violation of this paragraph is punishable in accordance with s.
552 112.317.

553 (d) The division ~~department~~ shall establish and maintain a
554 personnel program for its employees, including a personnel
555 classification and pay plan which may provide any or all of the
556 benefits provided in the Senior Management Service or Selected
557 Exempt Service. Each officer or employee of the division
558 ~~department~~ shall be a member of the Florida Retirement System.
559 The retirement class of each officer or employee shall be the
560 same as other persons performing comparable functions for other
561 agencies. Employees of the division ~~department~~ shall serve at the
562 pleasure of the commission ~~secretary~~ and shall be subject to
563 suspension, dismissal, reduction in pay, demotion, transfer, or
564 other personnel action at the discretion of the commission
565 ~~secretary~~. Such personnel actions are exempt from the provisions
566 of chapter 120. All employees of the division ~~department~~ are
567 exempt from the Career Service System provided in chapter 110
568 and, notwithstanding the provisions of s. 110.205(5), are not
569 included in either the Senior Management Service or the Selected
570 Exempt Service. However, all employees of the division ~~department~~
571 are subject to all standards of conduct adopted by rule for
572 career service and senior management employees pursuant to
573 chapter 110. In the event of a conflict between standards of

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574 | conduct applicable to employees of the Department of Gaming
575 | Control ~~the Lottery~~ the more restrictive standard shall apply.
576 | Interpretations as to the more restrictive standard may be
577 | provided by the Commission on Ethics upon request of an advisory
578 | opinion pursuant to s. 112.322(3)(a), for purposes of this
579 | subsection the opinion shall be considered final action.

580 | (20) Adopt by rule a code of ethics for officers and
581 | employees of the division ~~department~~ which supplements the
582 | standards of conduct for public officers and employees imposed by
583 | law.

584 | Section 9. Section 24.107, Florida Statutes, is amended to
585 | read:

586 | 24.107 Advertising and promotion of lottery games.--

587 | (1) The Legislature recognizes the need for extensive and
588 | effective advertising and promotion of lottery games. It is the
589 | intent of the Legislature that such advertising and promotion be
590 | consistent with the dignity and integrity of the state. In
591 | advertising the value of a prize that will be paid over a period
592 | of years, the division ~~department~~ may refer to the sum of all
593 | prize payments over the period.

594 | (2) The division ~~department~~ may act as a retailer and may
595 | conduct promotions that ~~which~~ involve the dispensing of lottery
596 | tickets free of charge.

597 | Section 10. Section 24.108, Florida Statutes, is amended to
598 | read:

599 | 24.108 Division of Licensing and Enforcement ~~Security~~;
600 | duties; security report.--

601 | (1) The commission ~~secretary~~ shall appoint a director of
602 | the Division of Licensing and Enforcement ~~Security~~ who is

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603 | qualified by training and experience in law enforcement or
604 | security to supervise, direct, coordinate, and administer all
605 | activities of the division.

606 | (2) The director and all investigators employed by the
607 | division shall meet the requirements for employment and
608 | appointment provided by s. 943.13 and shall satisfy the
609 | requirements for certification established by the Criminal
610 | Justice Standards and Training Commission pursuant to chapter
611 | 943. The director and such investigators shall be designated law
612 | enforcement officers and shall have the power to investigate and
613 | arrest for any alleged violation of this act or any rule adopted
614 | pursuant thereto, or any law of this state. Such law enforcement
615 | officers may enter upon any premises in which lottery tickets are
616 | sold, manufactured, printed, or stored within the state for the
617 | performance of their lawful duties and may take with them any
618 | necessary equipment, and such entry does ~~shall~~ not constitute a
619 | trespass. In any instance in which there is reason to believe
620 | that a violation has occurred, such officers have the authority,
621 | without warrant, to search and inspect any premises where the
622 | violation is alleged to have occurred or is occurring. Any such
623 | officer may, consistent with the United States and Florida
624 | Constitutions, seize or take possession of any papers, records,
625 | tickets, currency, or other items related to any alleged
626 | violation.

627 | (3) The Department of Law Enforcement shall, at the request
628 | of the Division of Licensing and Enforcement Security, perform
629 | full criminal background investigations on all employees of the
630 | Department of Gaming Control ~~the Lottery~~ at the level of the
631 | commission secretary, division director, or bureau chief and at

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632 any level within the Division of Licensing and Enforcement
633 ~~Security~~, including applicants for employment. The Department of
634 Gaming Control ~~the Lottery~~ shall reimburse the Department of Law
635 Enforcement for the actual costs of such investigations.

636 (4) The Division of Licensing and Enforcement shall conduct
637 such investigations of vendors, retailers, and employees of the
638 Division of the Lottery ~~department~~, including applicants for
639 contract or employment, as are necessary to ensure the security
640 and integrity of the operation of the state lottery. The Division
641 of the Lottery ~~department~~ may require persons subject to such
642 investigations to provide such information, including
643 fingerprints, as is needed by the Department of Law Enforcement
644 for processing or as is otherwise necessary to facilitate access
645 to state and federal criminal history information.

646 (5) The Department of Law Enforcement shall provide
647 assistance in obtaining criminal history information relevant to
648 investigations required for honest, secure, and exemplary lottery
649 operations, and such other assistance as may be requested by the
650 commission ~~secretary~~ and agreed to by the executive director of
651 the Department of Law Enforcement. Any other state agency,
652 including the Department of Business and Professional Regulation
653 and the Department of Revenue, shall, upon request, provide the
654 Department of Gaming Control ~~the Lottery~~ with any information
655 relevant to any investigation conducted pursuant to this act. The
656 Department of Gaming Control ~~the Lottery~~ shall maintain the
657 confidentiality of any confidential information it receives from
658 any other agency. The Department of Gaming Control ~~the Lottery~~
659 shall reimburse any agency for the actual cost of providing any
660 assistance pursuant to this subsection.

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661 (6) The Division of Licensing and Enforcement shall monitor
662 ticket validation and lottery drawings.

663 (7) (a) After the first full year of sales of tickets to the
664 public, or sooner if the commission ~~secretary~~ deems necessary,
665 the Division of the Lottery ~~department~~ shall engage an
666 independent firm experienced in security procedures, including,
667 but not limited to, computer security and systems security, to
668 conduct a comprehensive study and evaluation of all aspects of
669 security in the operation of the Division of the Lottery
670 ~~department~~.

671 (b) The portion of the security report containing the
672 overall evaluation of the Division of the Lottery ~~department~~ in
673 terms of each aspect of security shall be presented to the
674 Governor, the President of the Senate, and the Speaker of the
675 House of Representatives. The portion of the security report
676 containing specific recommendations shall be confidential and
677 shall be presented only to the commission ~~secretary~~, the
678 Governor, and the Auditor General; however, upon certification
679 that such information is necessary for the purpose of effecting
680 legislative changes, such information shall be disclosed to the
681 President of the Senate and the Speaker of the House of
682 Representatives, who may disclose such information to members of
683 the Legislature and legislative staff as necessary to effect such
684 purpose. However, any person who receives a copy of such
685 information or other information which is confidential pursuant
686 to this act or rule of the Division of the Lottery ~~department~~
687 shall maintain its confidentiality. The confidential portion of
688 the report is exempt from the provisions of s. 119.07(1) and s.
689 24(a), Art. I of the State Constitution.

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690 (c) Thereafter, similar studies of security shall be
691 conducted as the Division of the Lottery ~~department~~ deems
692 appropriate but at least once every 2 years.

693 Section 11. Section 24.109, Florida Statutes, is amended to
694 read:

695 24.109 Administrative procedure.--

696 (1) The division ~~department~~ may at any time adopt emergency
697 rules pursuant to s. 120.54. The Legislature finds that such
698 emergency rulemaking power is necessary for the preservation of
699 the rights and welfare of the people in order to provide
700 additional funds to benefit the public. The Legislature further
701 finds that the unique nature of state lottery operations
702 requires, from time to time, that the division ~~department~~ respond
703 as quickly as is practicable to changes in the marketplace.
704 Therefore, in adopting such emergency rules, the division
705 ~~department~~ need not make the findings required by s.

706 120.54(4)(a). Emergency rules adopted under this section are
707 exempt from s. 120.54(4)(c) and shall remain in effect until
708 replaced by other emergency rules or by rules adopted under the
709 nonemergency rulemaking procedures of the Administrative
710 Procedure Act.

711 (2) The provisions of s. 120.57(3) apply to the division's
712 ~~department's~~ contracting process, except that:

713 (a) A formal written protest of any decision, intended
714 decision, or other action subject to protest shall be filed
715 within 72 hours after receipt of notice of the decision, intended
716 decision, or other action.

717 (b) In a competitive procurement protest, including the
718 rejection of all bids, proposals, or replies, the administrative

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719 law judge may ~~shall~~ not substitute his or her procurement
720 decision for the agency's procurement decision but shall review
721 the intended agency action only to determine if the agency action
722 is illegal, arbitrary, dishonest, or fraudulent.

723 (c) As an alternative to any provision in s. 120.57(3)(c),
724 the division ~~department~~ may proceed with the bid solicitation or
725 contract award process when the director ~~secretary~~ of the
726 division ~~department~~ sets forth in writing particular facts and
727 circumstances that ~~which~~ require the continuance of the bid
728 solicitation process or the contract award process in order to
729 avoid a substantial loss of funding to the state or to avoid
730 substantial disruption of the timetable for any scheduled lottery
731 game.

732 Section 12. Section 24.111, Florida Statutes, is amended to
733 read:

734 24.111 Vendors; disclosure and contract requirements.--

735 (1) The division ~~department~~ may enter into contracts for
736 the purchase, lease, or lease-purchase of such goods or services
737 as are necessary for effectuating the purposes of this act. The
738 division ~~department~~ may not contract with any person or entity
739 for the total operation and administration of the state lottery
740 established by this act but may make procurements that ~~which~~
741 integrate functions such as lottery game design, supply of goods
742 and services, and advertising. In all procurement decisions, the
743 division ~~department~~ shall take into account the particularly
744 sensitive nature of the state lottery and shall consider the
745 competence, quality of product, experience, and timely
746 performance of the vendors in order to promote and ensure
747 security, honesty, fairness, and integrity in the operation and

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748 administration of the lottery and the objective of raising net
749 revenues for the benefit of the public purpose described in this
750 act.

751 (2) The division ~~department~~ shall investigate the financial
752 responsibility, security, and integrity of each vendor with which
753 it intends to negotiate a contract for major procurement. Such
754 investigation may include an investigation of the financial
755 responsibility, security, and integrity of any or all persons
756 whose names and addresses are required to be disclosed pursuant
757 to paragraph (a). Any person who submits a bid, proposal, or
758 offer as part of a major procurement must, at the time of
759 submitting such bid, proposal, or offer, provide the following:

760 (a) A disclosure of the vendor's name and address and, as
761 applicable, the name and address and any additional disclosures
762 necessary for an investigation of the financial responsibility,
763 security, and integrity of the following:

764 1. If the vendor is a corporation, the officers, directors,
765 and each stockholder in such corporation; except that, in the
766 case of owners of equity securities of a publicly traded
767 corporation, only the names and addresses of those known to the
768 corporation to own beneficially 5 percent or more of such
769 securities need be disclosed.

770 2. If the vendor is a trust, the trustee and all persons
771 entitled to receive income or benefit from the trust.

772 3. If the vendor is an association, the members, officers,
773 and directors.

774 4. If the vendor is a partnership or joint venture, all of
775 the general partners, limited partners, or joint venturers.

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777 If the vendor subcontracts any substantial portion of the work to
778 be performed to a subcontractor, the vendor shall disclose all of
779 the information required by this paragraph for the subcontractor
780 as if the subcontractor were itself a vendor.

781 (b) A disclosure of all the states and jurisdictions in
782 which the vendor does business and of the nature of that business
783 for each such state or jurisdiction.

784 (c) A disclosure of all the states and jurisdictions in
785 which the vendor has contracts to supply gaming goods or
786 services, including, but not limited to, lottery goods and
787 services, and of the nature of the goods or services involved for
788 each such state or jurisdiction.

789 (d) A disclosure of all the states and jurisdictions in
790 which the vendor has applied for, has sought renewal of, has
791 received, has been denied, has pending, or has had revoked a
792 gaming license or contract of any kind and of the disposition of
793 such in each such state or jurisdiction. If any gaming license or
794 contract has been revoked or has not been renewed or any gaming
795 license or contract application has been either denied or is
796 pending and has remained pending for more than 6 months, all of
797 the facts and circumstances underlying this failure to receive
798 such a license must be disclosed.

799 (e) A disclosure of the details of any conviction or
800 judgment of a state or federal court of the vendor of any felony
801 or any other criminal offense other than a traffic violation.

802 (f) A disclosure of the details of any bankruptcy,
803 insolvency, reorganization, or any pending litigation of the
804 vendor.

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805 (g) Such additional disclosures and information as the
806 division ~~department~~ may determine to be appropriate for the
807 procurement involved.

808 (h) The division ~~department~~ shall lease all instant ticket
809 vending machines.

810 (i) The division shall ~~department will~~ require a
811 performance bond for the duration of the contract.

812

813 The division may ~~department shall~~ not contract with any vendor
814 who fails to make the disclosures required by this subsection,
815 and any contract with a vendor who has failed to make the
816 required disclosures is ~~shall be~~ unenforceable. Any contract with
817 any vendor who does not comply with such requirements for
818 periodically updating such disclosures during the tenure of such
819 contract as may be specified in such contract may be terminated
820 by the division ~~department~~. This subsection shall be construed
821 broadly and liberally to achieve the ends of full disclosure of
822 all information necessary to allow for a full and complete
823 evaluation by the division ~~department~~ of the competence,
824 integrity, background, and character of vendors for major
825 procurements.

826 (3) The division ~~department~~ may require disclosure of the
827 information required by subsection (2) from any vendor if the
828 division ~~department~~ finds that such disclosure is necessary to
829 protect the dignity and integrity of the lottery and in the best
830 interests of the state.

831 (4) The division may not enter into a ~~No~~ contract for a
832 major procurement with any vendor ~~shall be entered into~~ if that
833 vendor, or any of the vendor's officers, directors, trustees,

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834 partners, or joint venturers whose names and addresses are
835 required to be disclosed pursuant to paragraph (2) (a), has been
836 convicted of, or entered a plea of guilty or nolo contendere to,
837 a felony committed in the preceding 10 years, regardless of
838 adjudication, unless the division ~~department~~ determines that:

839 (a) The vendor or such individual has been pardoned or the
840 vendor's or such individual's civil rights have been restored;

841 (b) Subsequent to such conviction or entry of plea the
842 vendor or such individual has engaged in the kind of law-abiding
843 commerce and good citizenship that would reflect well upon the
844 integrity of the lottery; or

845 (c) If the vendor is not an individual, such vendor has
846 terminated its relationship with the individual whose actions
847 directly contributed to the vendor's conviction or entry of plea.

848 (5) Each vendor in a major procurement in excess of
849 \$25,000, and any other vendor if the division ~~department~~ deems it
850 necessary to protect the state's financial interest, shall, at
851 the time of executing the contract with the division ~~department~~,
852 post an appropriate bond with the division ~~department~~ in an
853 amount determined by the division ~~department~~ to be adequate to
854 protect the state's interests, but not higher than the full
855 amount estimated to be paid annually to the vendor under the
856 contract. In lieu of the bond, a vendor may, to assure the
857 faithful performance of its obligations, file with the division
858 ~~department~~ an irrevocable letter of credit acceptable to the
859 division ~~department~~ in an amount determined by the division
860 ~~department~~ to be adequate to protect the state's interests or
861 deposit and maintain with the Chief Financial Officer securities
862 that are interest bearing or accruing and that, with the

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863 exception of those specified in paragraphs (a) and (b), are rated
864 in one of the four highest classifications by an established
865 nationally recognized investment rating service. Securities
866 eligible under this subsection shall be limited to:

867 (a) Certificates of deposit issued by solvent banks or
868 savings associations organized and existing under the laws of
869 this state or under the laws of the United States and having
870 their principal place of business in this state.

871 (b) United States bonds, notes, and bills for which the
872 full faith and credit of the government of the United States is
873 pledged for the payment of principal and interest.

874 (c) General obligation bonds and notes of any political
875 subdivision of the state.

876 (d) Corporate bonds of any corporation that is not an
877 affiliate or subsidiary of the depositor.

878

879 Such securities shall be held in trust and shall have at all
880 times a market value at least equal to an amount determined by
881 the department to be adequate to protect the state's interests,
882 which amount shall not be set higher than the full amount
883 estimated to be paid annually to the vendor under contract.

884 (6) Every contract in excess of \$25,000 entered into by the
885 division ~~department~~ pursuant to this section shall contain a
886 provision for payment of liquidated damages to the division
887 ~~department~~ for any breach of contract by the vendor. The division
888 ~~department~~ may require a liquidated damages provision in any
889 contract if the division ~~department~~ deems it necessary to protect
890 the state's financial interest.

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891 (7) Each vendor must ~~shall~~ be qualified to do business in
892 this state and shall file appropriate tax returns as provided by
893 the laws of this state, and all contracts shall be governed by
894 the laws of this state.

895 Section 13. Section 24.112, Florida Statutes, is amended to
896 read:

897 24.112 Retailers of lottery tickets.--

898 (1) The division ~~department~~ shall adopt ~~promulgate~~ rules
899 specifying the terms and conditions for contracting with
900 retailers who will best serve the public interest and promote the
901 sale of lottery tickets.

902 (2) In the selection of retailers, the division ~~department~~
903 shall consider factors such as financial responsibility,
904 integrity, reputation, accessibility of the place of business or
905 activity to the public, security of the premises, the sufficiency
906 of existing retailers to serve the public convenience, and the
907 projected volume of the sales for the lottery game involved. In
908 the consideration of these factors, the division ~~department~~ may
909 require the information it deems necessary of any person applying
910 for authority to act as a retailer. However, the division
911 ~~department~~ may not establish a limitation upon the number of
912 retailers and shall make every effort to allow small business
913 participation as retailers. It is the intent of the Legislature
914 that retailer selections be based on business considerations and
915 the public convenience and that retailers be selected without
916 regard to political affiliation.

917 (3) The division may ~~department shall~~ not contract with any
918 person as a retailer who:

919 (a) Is less than 18 years of age.

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920 (b) Is engaged exclusively in the business of selling
921 lottery tickets; however, this paragraph does ~~shall~~ not preclude
922 the division ~~department~~ from selling lottery tickets.

923 (c) Has been convicted of, or entered a plea of guilty or
924 nolo contendere to, a felony committed in the preceding 10 years,
925 regardless of adjudication, unless the division ~~department~~
926 determines that:

927 1. The person has been pardoned or the person's civil
928 rights have been restored;

929 2. Subsequent to such conviction or entry of plea the
930 person has engaged in the kind of law-abiding commerce and good
931 citizenship that would reflect well upon the integrity of the
932 lottery; or

933 3. If the person is a firm, association, partnership,
934 trust, corporation, or other entity, the person has terminated
935 its relationship with the individual whose actions directly
936 contributed to the person's conviction or entry of plea.

937 (4) The division ~~department~~ shall issue a certificate of
938 authority to each person with whom it contracts as a retailer for
939 purposes of display pursuant to subsection (6). The issuance of
940 the certificate does ~~shall~~ not confer upon the retailer any right
941 apart from that specifically granted in the contract. The
942 authority to act as a retailer is ~~shall~~ not ~~be~~ assignable or
943 transferable.

944 (5) Any contract executed by the division ~~department~~
945 pursuant to this section must ~~shall~~ specify the reasons for any
946 suspension or termination of the contract by the division
947 ~~department~~, including, but not limited to:

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948 (a) Commission of a violation of this act or rule adopted
949 pursuant thereto.

950 (b) Failure to accurately account for lottery tickets,
951 revenues, or prizes as required by the division ~~department~~.

952 (c) Commission of any fraud, deceit, or misrepresentation.

953 (d) Insufficient sale of tickets.

954 (e) Conduct prejudicial to public confidence in the
955 lottery.

956 (f) Any material change in any matter considered by the
957 division ~~department~~ in executing the contract with the retailer.

958 (6) Every retailer shall post and keep conspicuously
959 displayed in a location on the premises accessible to the public
960 its certificate of authority and, with respect to each game, a
961 statement supplied by the division ~~department~~ of the estimated
962 odds of winning some prize for the game.

963 (7) A ~~No~~ contract with a retailer may not ~~shall~~ authorize
964 the sale of lottery tickets at more than one location, and a
965 retailer may sell lottery tickets only at the location stated on
966 the certificate of authority.

967 (8) With respect to any retailer whose rental payments for
968 premises are contractually computed, in whole or in part, on the
969 basis of a percentage of retail sales, and where such computation
970 of retail sales is not explicitly defined to include sales of
971 tickets in a state-operated lottery, the compensation received by
972 the retailer from the division ~~department~~ shall be deemed to be
973 the amount of the retail sale for the purposes of such
974 contractual compensation.

975 (9) (a) The division ~~department~~ may require every retailer
976 to post an appropriate bond as determined by the division

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977 ~~department,~~ using an insurance company acceptable to the division
978 ~~department,~~ in an amount not to exceed twice the average lottery
979 ticket sales of the retailer for the period within which the
980 retailer is required to remit lottery funds to the division
981 ~~department~~. For the first 90 days of sales of a new retailer, the
982 amount of the bond may not exceed twice the average estimated
983 lottery ticket sales for the period within which the retailer is
984 required to remit lottery funds to the division ~~department~~. This
985 paragraph does ~~shall~~ not apply to lottery tickets that ~~which~~ are
986 prepaid by the retailer.

987 (b) In lieu of such bond, the division ~~department~~ may
988 purchase blanket bonds covering all or selected retailers or may
989 allow a retailer to deposit and maintain with the Chief Financial
990 Officer securities that are interest bearing or accruing and
991 that, with the exception of those specified in subparagraphs 1.
992 and 2., are rated in one of the four highest classifications by
993 an established nationally recognized investment rating service.
994 Securities eligible under this paragraph shall be limited to:

995 1. Certificates of deposit issued by solvent banks or
996 savings associations organized and existing under the laws of
997 this state or under the laws of the United States and having
998 their principal place of business in this state.

999 2. United States bonds, notes, and bills for which the full
1000 faith and credit of the government of the United States is
1001 pledged for the payment of principal and interest.

1002 3. General obligation bonds and notes of any political
1003 subdivision of the state.

1004 4. Corporate bonds of any corporation that is not an
1005 affiliate or subsidiary of the depositor.

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1006
1007 Such securities shall be held in trust and shall have at all
1008 times a market value at least equal to an amount required by the
1009 division ~~department~~.

1010 (10) Every contract entered into by the division ~~department~~
1011 pursuant to this section must ~~shall~~ contain a provision for
1012 payment of liquidated damages to the division ~~department~~ for any
1013 breach of contract by the retailer.

1014 (11) The division ~~department~~ shall establish procedures by
1015 which each retailer shall account for all tickets sold by the
1016 retailer and account for all funds received by the retailer from
1017 such sales. The contract with each retailer must ~~shall~~ include
1018 provisions relating to the sale of tickets, payment of moneys to
1019 the division ~~department~~, reports, service charges, and interest
1020 and penalties, if necessary, as the division deems ~~department~~
1021 ~~shall deem~~ appropriate.

1022 (12) A ~~No~~ payment by a retailer to the division ~~department~~
1023 for tickets may not ~~shall~~ be in cash. All such payments must
1024 ~~shall~~ be in the form of a check, bank draft, electronic fund
1025 transfer, or other financial instrument authorized by the
1026 division director ~~secretary~~.

1027 (13) Each retailer shall provide accessibility for disabled
1028 persons on habitable grade levels. This subsection does not apply
1029 to a retail location that ~~which~~ has an entrance door threshold
1030 more than 12 inches above ground level. As used in this
1031 subsection herein and for purposes of this subsection only, the
1032 term "accessibility for disabled persons on habitable grade
1033 levels" means that retailers shall provide ramps, platforms,
1034 aisles and pathway widths, turnaround areas, and parking spaces

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1035 to the extent these are required for the retailer's premises by
1036 the particular jurisdiction where the retailer is located.
1037 Accessibility shall be required to only one point of sale of
1038 lottery tickets for each lottery retailer location. The
1039 requirements of this subsection shall be deemed to have been met
1040 if, in lieu of the foregoing, disabled persons can purchase
1041 tickets from the retail location by means of a drive-up window,
1042 provided the hours of access at the drive-up window are not less
1043 than those provided at any other entrance at that lottery
1044 retailer location. Inspections for compliance with this
1045 subsection shall be performed by those enforcement authorities
1046 responsible for enforcement pursuant to s. 553.80 in accordance
1047 with procedures established by those authorities. Those
1048 enforcement authorities shall provide to the Division ~~Department~~
1049 of the Lottery a certification of noncompliance for any lottery
1050 retailer not meeting such requirements.

1051 (14) The division director ~~secretary~~ may, after filing with
1052 the Department of State his or her manual signature certified by
1053 the division director ~~secretary~~ under oath, execute or cause to
1054 be executed contracts between the division ~~department~~ and
1055 retailers by means of engraving, imprinting, stamping, or other
1056 facsimile signature.

1057 Section 14. Section 24.113, Florida Statutes, is amended to
1058 read:

1059 24.113 Minority participation.--

1060 (1) It is the intent of the Legislature that the division
1061 ~~department~~ encourage participation by minority business
1062 enterprises as defined in s. 288.703. Accordingly, 15 percent of
1063 the retailers shall be minority business enterprises as defined

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1064 in s. 288.703(2); however, no more than 35 percent of such
1065 retailers shall be owned by the same type of minority person, as
1066 defined in s. 288.703(3). The division ~~department~~ is encouraged
1067 to meet the minority business enterprise procurement goals set
1068 forth in s. 287.09451 in the procurement of commodities,
1069 contractual services, construction, and architectural and
1070 engineering services. This section does ~~shall~~ not preclude or
1071 prohibit a minority person from competing for any other retailing
1072 or vending agreement awarded by the division ~~department~~.

1073 (2) The division shall ~~department is directed to~~ undertake
1074 training programs and other educational activities to enable
1075 minority persons to compete for such contracts on an equal basis.

1076 Section 15. Section 24.114, Florida Statutes, is amended to
1077 read:

1078 24.114 Bank deposits and control of lottery transactions.--

1079 (1) All moneys received by each retailer from the operation
1080 of the state lottery, including, but not limited to, all ticket
1081 sales, interest, gifts, and donations, less the amount retained
1082 as compensation for the sale of the tickets and the amount paid
1083 out as prizes, shall be remitted to the division ~~department~~ or
1084 deposited in a qualified public depository, as defined in s.
1085 280.02, as directed by the division ~~department~~. The division is
1086 responsible ~~department shall have the responsibility~~ for all
1087 administrative functions related to the receipt of funds. The
1088 division ~~department~~ may also require each retailer to file with
1089 the division ~~department~~ reports of the retailer's receipts and
1090 transactions in the sale of lottery tickets in such form and
1091 containing such information as the division ~~department~~ may
1092 require. The division ~~department~~ may require any person,

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1093 including a qualified public depository, to perform any function,
1094 activity, or service in connection with the operation of the
1095 lottery as it may deem advisable pursuant to this act and rules
1096 of the division ~~department~~, and such functions, activities, or
1097 services shall constitute lawful functions, activities, and
1098 services of such person.

1099 (2) The division ~~department~~ may require retailers to
1100 establish separate electronic funds transfer accounts for the
1101 purpose of receiving moneys from ticket sales, making payments to
1102 the division ~~department~~, and receiving payments from the division
1103 ~~department~~.

1104 (3) Each retailer is liable to the division ~~department~~ for
1105 any and all tickets accepted or generated by any employee or
1106 representative of that retailer, and the tickets shall be deemed
1107 to have been purchased by the retailer unless returned to the
1108 division ~~department~~ within the time and in the manner prescribed
1109 by the division ~~department~~. All moneys received by retailers from
1110 the sale of lottery tickets, less the amount retained as
1111 compensation for the sale of tickets and the amount paid out as
1112 prizes by the retailer, shall be held in trust prior to delivery
1113 to the division ~~department~~ or electronic transfer to the
1114 Operating Trust Fund.

1115 Section 16. Section 24.115, Florida Statutes, is amended to
1116 read:

1117 24.115 Payment of prizes.--

1118 (1) The division ~~department~~ shall adopt ~~promulgate~~ rules to
1119 establish a system of verifying the validity of tickets claimed
1120 to win prizes and to effect payment of such prizes; however:

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1121 (a) The right of any person to a prize, other than a prize
1122 that is payable in installments over time, is not assignable.
1123 However, any prize, to the extent that it has not been assigned
1124 or encumbered pursuant to s. 24.1153, may be paid to the estate
1125 of a deceased prize winner or to a person designated pursuant to
1126 an appropriate court order. A prize that is payable in
1127 installments over time is assignable, but only pursuant to an
1128 appropriate court order as provided in s. 24.1153.

1129 (b) A ~~No~~ prize may not ~~shall~~ be paid to any person under
1130 the age of 18 years unless the winning ticket was lawfully
1131 purchased and made a gift to the minor. In such case, the
1132 division ~~department~~ shall direct payment to an adult member of
1133 the minor's family or the legal guardian of the minor as
1134 custodian for the minor. The person named as custodian shall have
1135 the same powers and duties as prescribed for a custodian pursuant
1136 to chapter 710, the Florida Uniform Transfers to Minors Act.

1137 (c) A ~~No~~ prize may not be paid arising from claimed tickets
1138 that are stolen, counterfeit, altered, fraudulent, unissued,
1139 produced or issued in error, unreadable, not received or not
1140 recorded by the division ~~department~~ by applicable deadlines,
1141 lacking in captions that confirm and agree with the lottery play
1142 symbols as appropriate to the lottery game involved, or not in
1143 compliance with such additional specific rules and public or
1144 confidential validation and security tests of the division
1145 ~~department~~ appropriate to the particular lottery game involved.

1146 (d) A ~~No~~ particular prize in any lottery game may not be
1147 paid more than once, and in the event of a binding determination
1148 that more than one claimant is entitled to a particular prize,

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1149 | the sole remedy of such claimants is the award to each of them of
1150 | an equal share in the prize.

1151 | (e) For the convenience of the public, retailers may be
1152 | authorized to pay winners amounts less than \$600 after performing
1153 | validation procedures on their premises appropriate to the
1154 | lottery game involved.

1155 | (f) Holders of tickets ~~shall~~ have the right to claim prizes
1156 | for 180 days after the drawing or the end of the lottery game or
1157 | play in which the prize was won; except that with respect to any
1158 | game in which the player may determine instantly if he or she has
1159 | won or lost, such right exists ~~shall exist~~ for 60 days after the
1160 | end of the lottery game. If a valid claim is not made for a prize
1161 | within the applicable period, the prize constitutes ~~shall~~
1162 | ~~constitute~~ an unclaimed prize for purposes of subsection (2).

1163 | (g) A ~~No~~ prize may not ~~shall~~ be paid upon a ticket
1164 | purchased or sold in violation of this act or to any person who
1165 | is prohibited from purchasing a lottery ticket pursuant to this
1166 | act. Any such prize constitutes ~~shall constitute~~ an unclaimed
1167 | prize for purposes of subsection (2).

1168 | (2) (a) Eighty percent of all unclaimed prize money shall be
1169 | deposited in the Educational Enhancement Trust Fund consistent
1170 | with the provisions of s. 24.121(2). Subject to appropriations
1171 | provided in the General Appropriations Act, these funds may be
1172 | used to match private contributions received under the
1173 | postsecondary matching grant programs established in ss. 1011.32,
1174 | 1011.85, 1011.94, and 1013.79.

1175 | (b) The remaining 20 percent of unclaimed prize money shall
1176 | be added to the pool from which future prizes are to be awarded
1177 | or used for special prize promotions.

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1178 (3) The division ~~department~~ shall be discharged of all
1179 liability upon payment of a prize.

1180 (4) It is the responsibility of the appropriate state
1181 agency and of the judicial branch to identify to the division
1182 ~~department~~, in the form and format prescribed by the division
1183 ~~department~~, persons owing an outstanding debt to any state agency
1184 or owing child support collected through a court, including
1185 spousal support or alimony for the spouse or former spouse of the
1186 obligor if the child support obligation is being enforced by the
1187 Department of Revenue. Prior to the payment of a prize of \$600 or
1188 more to any claimant having such an outstanding obligation, the
1189 division ~~department~~ shall transmit the amount of the debt to the
1190 agency claiming the debt and shall authorize payment of the
1191 balance to the prize winner after deduction of the debt. If a
1192 prize winner owes multiple debts subject to offset under this
1193 subsection and the prize is insufficient to cover all such debts,
1194 the amount of the prize shall be transmitted first to the agency
1195 claiming that past due child support is owed. If a balance of
1196 lottery prize remains after payment of past due child support,
1197 the remaining lottery prize amount shall be transmitted to other
1198 agencies claiming debts owed to the state, pro rata, based upon
1199 the ratio of the individual debt to the remaining debt owed to
1200 the state.

1201 Section 17. Section 24.1153, Florida Statutes, is amended
1202 to read:

1203 24.1153 Assignment of prizes payable in installments.--

1204 (1) The right of any person to receive payments under a
1205 prize that is paid in installments over time by the division
1206 ~~department~~ may be voluntarily assigned, in whole or in part, if

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1207 | the assignment is made to a person or entity designated pursuant
1208 | to an order of a court of competent jurisdiction located in the
1209 | judicial district where the assigning prize winner resides or
1210 | where the headquarters of the division ~~department~~ is located. A
1211 | court may issue an order approving a voluntary assignment and
1212 | directing the division ~~department~~ to make prize payments in whole
1213 | or in part to the designated assignee, if the court finds that
1214 | all of the following conditions have been met:

1215 | (a) The assignment is in writing, is executed by the
1216 | assignor, and is, by its terms, subject to the laws of this
1217 | state.

1218 | (b) The purchase price being paid for the payments being
1219 | assigned represents a present value of the payments being
1220 | assigned, discounted at an annual rate that does not exceed the
1221 | state's usury limit for loans.

1222 | (c) The assignor provides a sworn affidavit attesting that
1223 | he or she:

1224 | 1. Is of sound mind, is in full command of his or her
1225 | faculties, and is not acting under duress;

1226 | 2. Has been advised regarding the assignment by his or her
1227 | own independent legal counsel, who is unrelated to and is not
1228 | being compensated by the assignee or any of the assignee's
1229 | affiliates, and has received independent financial or tax advice
1230 | concerning the effects of the assignment from a lawyer or other
1231 | professional who is unrelated to and is not being compensated by
1232 | the assignee or any of the assignee's affiliates;

1233 | 3. Understands that he or she will not receive the prize
1234 | payments or portions thereof for the years assigned;

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1235 4. Understands and agrees that with regard to the assigned
1236 payments the division ~~department~~ and its officials and employees
1237 will have no further liability or responsibility to make the
1238 assigned payments to him or her;

1239 5. Has been provided with a one-page written disclosure
1240 statement setting forth, in bold type of not less than 14 points,
1241 the payments being assigned, by amounts and payment dates; the
1242 purchase price being paid; the rate of discount to present value,
1243 assuming daily compounding and funding on the contract date; and
1244 the amount, if any, of any origination or closing fees that will
1245 be charged to him or her; and

1246 6. Was advised in writing, at the time he or she signed the
1247 assignment contract, that he or she had the right to cancel the
1248 contract, without any further obligation, within 3 business days
1249 following the date on which the contract was signed.

1250 (d) Written notice of the proposed assignment and any court
1251 hearing concerning the proposed assignment is provided to the
1252 division's ~~department's~~ counsel at least 10 days prior to any
1253 court hearing. The division ~~department~~ is not required to appear
1254 in or be named as a party to any such action seeking judicial
1255 confirmation of an assignment under this section, but may
1256 intervene as of right in any such proceeding.

1257 (2) A certified copy of a court order approving a voluntary
1258 assignment must be provided to the division ~~department~~ no later
1259 than 14 days before the date on which the payment is to be made.

1260 (3) In accordance with the provisions of s. 24.115(4), a
1261 voluntary assignment may not include or cover payments or
1262 portions of payments that are subject to offset on account of a
1263 defaulted or delinquent child support obligation or on account of

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1264 a debt owed to a state agency. Each court order issued under
1265 subsection (1) shall provide that any delinquent child support
1266 obligations of the assigning prize winner and any debts owed to a
1267 state agency by the assigning prize winner, as of the date of the
1268 court order, shall be offset by the division ~~department~~ first
1269 against remaining payments or portions thereof due the prize
1270 winner and then against payments due the assignee.

1271 (4) The division ~~department~~, and its respective officials
1272 and employees, shall be discharged of all liability upon payment
1273 of an assigned prize under this section.

1274 (5) The division ~~department~~ may establish a reasonable fee
1275 to defray any administrative expenses associated with assignments
1276 made under this section, including the cost to the division
1277 ~~department~~ of any processing fee that may be imposed by a private
1278 annuity provider. The fee amount shall reflect the direct and
1279 indirect costs associated with processing such assignments.

1280 (6) If at any time the Internal Revenue Service or a court
1281 of competent jurisdiction issues a determination letter, revenue
1282 ruling, other public ruling of the Internal Revenue Service, or
1283 published decision to any state lottery or prize winner of any
1284 state lottery declaring that the voluntary assignment of prizes
1285 will affect the federal income tax treatment of prize winners who
1286 do not assign their prizes, the director ~~secretary~~ of the
1287 division ~~department~~ shall immediately file a copy of that letter,
1288 ruling, or published decision with the Secretary of State and the
1289 Office of the State Courts Administrator. A court may not issue
1290 an order authorizing a voluntary assignment under this section
1291 after the date any such ruling, letter, or published decision is
1292 filed.

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1293 Section 18. Section 24.116, Florida Statutes, is amended to
1294 read:

1295 24.116 Unlawful purchase of lottery tickets; penalty.--

1296 (1) A ~~No~~ person who is less than 18 years of age may not
1297 purchase a lottery ticket; however, this does ~~shall~~ not prohibit
1298 the purchase of a lottery ticket for the purpose of making a gift
1299 to a minor.

1300 (2) An ~~No~~ officer or employee of the division ~~department~~ or
1301 any relative living in the same household with such officer or
1302 employee may not purchase a lottery ticket.

1303 (3) An ~~No~~ officer or employee of any vendor under contract
1304 with the division ~~department~~ for a major procurement, relative
1305 living in the same household with such officer or employee, or
1306 immediate supervisor of such officer or employee may not purchase
1307 a lottery ticket if the officer or employee is involved in the
1308 direct provision of goods or services to the division ~~department~~
1309 or has access to information made confidential by the division
1310 ~~department~~.

1311 (4) Any person who violates this section commits ~~is guilty~~
1312 ~~of~~ a misdemeanor of the first degree, punishable as provided in
1313 s. 775.082 or s. 775.083.

1314 Section 19. Section 24.117, Florida Statutes, is amended to
1315 read:

1316 24.117 Unlawful sale of lottery tickets; penalty.--Any
1317 person who knowingly:

1318 (1) Sells a state lottery ticket when not authorized by the
1319 division ~~department~~ or this act to engage in such sale;

1320 (2) Sells a state lottery ticket to a minor; or

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1321 (3) Sells a state lottery ticket at any price other than
1322 that established by the division ~~department~~;

1323
1324 commits ~~is guilty of~~ a misdemeanor of the first degree,
1325 punishable as provided in s. 775.082 or s. 775.083.

1326 Section 20. Subsections (1), (3), and (5) of section
1327 24.118, Florida Statutes, are amended to read:

1328 24.118 Other prohibited acts; penalties.--

1329 (1) UNLAWFUL EXTENSIONS OF CREDIT.--Any retailer who
1330 extends credit or lends money to a person for the purchase of a
1331 lottery ticket commits ~~is guilty of~~ a misdemeanor of the second
1332 degree, punishable as provided in s. 775.082 or s. 775.083. This
1333 subsection does ~~shall not be construed to~~ prohibit the purchase
1334 of a lottery ticket through the use of a credit or charge card or
1335 other instrument issued by a bank, savings association, credit
1336 union, or charge card company or by a retailer pursuant to part
1337 II of chapter 520 if, ~~provided that any~~ such purchase from a
1338 retailer is ~~shall be~~ in addition to the purchase of goods and
1339 services other than lottery tickets having a cost of no less than
1340 \$20.

1341 (3) COUNTERFEIT OR ALTERED TICKETS.--Any person who:

1342 (a) Knowingly presents a counterfeit or altered state
1343 lottery ticket;

1344 (b) Knowingly transfers a counterfeit or altered state
1345 lottery ticket to another to present for payment;

1346 (c) With intent to defraud, falsely makes, alters, forges,
1347 passes, or counterfeits a state lottery ticket; or

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1348 (d) Files with the division ~~department~~ a claim for payment
1349 based upon facts alleged by the claimant which facts are untrue
1350 and known by the claimant to be untrue when the claim is made;
1351
1352 commits ~~is guilty of~~ a felony of the third degree, punishable as
1353 provided in s. 775.082, s. 775.083, or s. 775.084.

1354 (5) UNLAWFUL REPRESENTATION.--

1355 (a) Any person who uses point-of-sale materials issued by
1356 the division ~~department~~ or otherwise holds himself or herself out
1357 as a retailer without being authorized by the division ~~department~~
1358 to act as a retailer commits ~~is guilty of~~ a misdemeanor of the
1359 first degree, punishable as provided in s. 775.082 or s. 775.083.

1360 (b) Any person who without being authorized by the division
1361 ~~department~~ in writing uses the term "Florida Lottery," "State
1362 Lottery," "Florida State Lottery," or any similar term in the
1363 title or name of any charitable or commercial enterprise,
1364 product, or service commits ~~is guilty of~~ a misdemeanor of the
1365 first degree, punishable as provided in s. 775.082 or s. 775.083.

1366 Section 21. Section 24.119, Florida Statutes, is amended to
1367 read:

1368 24.119 Use of word "lottery" in corporate name.--The
1369 corporate name of a corporation may ~~shall~~ not contain the word
1370 "lottery" unless the Division ~~Department~~ of the Lottery approves
1371 such name in writing.

1372 Section 22. Section 24.120, Florida Statutes, is amended to
1373 read:

1374 24.120 Financial matters; Operating Trust Fund; interagency
1375 cooperation.--

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1376 (1) There is ~~hereby~~ created in the State Treasury an
1377 Operating Trust Fund to be administered in accordance with
1378 chapters 215 and 216 by the division ~~department~~. All money
1379 received by the division ~~department~~ which remains after payment
1380 of prizes and initial compensation paid to retailers shall be
1381 deposited into the Operating Trust Fund. All moneys in the trust
1382 fund are appropriated to the division ~~department~~ for the purposes
1383 specified in this act.

1384 (2) Moneys available for the payment of prizes on a
1385 deferred basis shall be invested by the State Board of
1386 Administration in accordance with a trust agreement approved by
1387 the division director ~~secretary~~ and entered into between the
1388 division ~~department~~ and the State Board of Administration in
1389 accordance with ss. 215.44-215.53. The investments authorized by
1390 this subsection shall be done in a manner designed to preserve
1391 capital and to ensure the integrity of the lottery disbursement
1392 system by eliminating the risk of payment of funds when due and
1393 to produce equal annual sums of money over the required term of
1394 the investments.

1395 (3) Any action required by law to be taken by the Chief
1396 Financial Officer shall be taken within 2 business days after the
1397 division's ~~department's~~ request therefor. If the request for
1398 action is not approved or rejected within that time period, the
1399 request shall be deemed to be approved. The division ~~department~~
1400 shall reimburse the Chief Financial Officer for any additional
1401 costs involved in providing the level of service required by this
1402 subsection.

1403 (4) The division ~~department~~ shall cooperate with the Chief
1404 Financial Officer, the Auditor General, and the Office of Program

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1405 Policy Analysis and Government Accountability by giving employees
1406 designated by any of them access to facilities of the division
1407 ~~department~~ for the purpose of efficient compliance with their
1408 respective responsibilities.

1409 (5) With respect to any reimbursement that the division
1410 ~~department~~ is required to pay to any state agency, the division
1411 ~~department~~ may enter into an agreement with a state agency under
1412 which the division ~~department~~ shall pay to the state agency an
1413 amount reasonably anticipated to cover the reimbursable expenses
1414 in advance of the expenses being incurred.

1415 (6) The Department of Management Services may authorize a
1416 sales incentive program for employees of the division ~~department~~
1417 for the purpose of increasing the sales volume and distribution
1418 of lottery tickets. Payments pursuant to the program are ~~shall~~
1419 not ~~be construed to be~~ lump-sum salary bonuses.

1420 Section 23. Subsections (1), (2), and (3) and paragraph (d)
1421 of subsection (5) of section 24.121, Florida Statutes, are
1422 amended to read:

1423 24.121 Allocation of revenues and expenditure of funds for
1424 public education.--

1425 (1) Variable percentages of the gross revenue from the sale
1426 of online and instant lottery tickets shall be returned to the
1427 public in the form of prizes paid by the division ~~department~~ or
1428 retailers as authorized by this act. The variable percentages of
1429 gross revenue from the sale of online and instant lottery tickets
1430 returned to the public in the form of prizes shall be established
1431 by the division ~~department~~ in a manner designed to maximize the
1432 amount of funds deposited under subsection (2).

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1433 (2) Each fiscal year, variable percentages of the gross
1434 revenue from the sale of online and instant lottery tickets as
1435 determined by the division ~~department~~ consistent with subsection
1436 (1), and other earned revenue, excluding application processing
1437 fees, shall be deposited in the Educational Enhancement Trust
1438 Fund, which is hereby created in the State Treasury to be
1439 administered by the Department of Education. The Division
1440 ~~Department~~ of the Lottery shall transfer moneys to the
1441 Educational Enhancement Trust Fund at least once each quarter.
1442 Funds in the Educational Enhancement Trust Fund shall be used to
1443 the benefit of public education in accordance with the provisions
1444 of this act. Notwithstanding any other provision of law, lottery
1445 revenues transferred to the Educational Enhancement Trust Fund
1446 shall be reserved as needed and used to meet the requirements of
1447 the documents authorizing the bonds issued by the state pursuant
1448 to s. 1013.68, s. 1013.70, or s. 1013.737 or distributed to
1449 school districts for the Classrooms First Program as provided in
1450 s. 1013.68. Such lottery revenues are ~~hereby~~ pledged to the
1451 payment of debt service on bonds issued by the state pursuant to
1452 s. 1013.68, s. 1013.70, or s. 1013.737. Debt service payable on
1453 bonds issued by the state pursuant to s. 1013.68, s. 1013.70, or
1454 s. 1013.737 shall be payable from, and is secured by a first lien
1455 on, the first lottery revenues transferred to the Educational
1456 Enhancement Trust Fund in each fiscal year. Amounts distributable
1457 to school districts that request the issuance of bonds pursuant
1458 to s. 1013.68(3) are ~~hereby~~ pledged to such bonds pursuant to s.
1459 11(d), Art. VII of the State Constitution.

1460 (3) The funds remaining in the Operating Trust Fund after
1461 transfers to the Educational Enhancement Trust Fund shall be used

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1462 for the payment of administrative expenses of the division
1463 ~~department~~. These expenses shall include all costs incurred in
1464 the operation and administration of the lottery and all costs
1465 resulting from any contracts entered into for the purchase or
1466 lease of goods or services required by the lottery, including,
1467 but not limited to:

1468 (a) The compensation paid to retailers;

1469 (b) The costs of supplies, materials, tickets, independent
1470 audit services, independent studies, data transmission,
1471 advertising, promotion, incentives, public relations,
1472 communications, security, bonding for retailers, printing,
1473 distribution of tickets, and reimbursing other governmental
1474 entities for services provided to the lottery; and

1475 (c) The costs of any other goods and services necessary for
1476 effectuating the purposes of this act.

1477 (5)

1478 (d) ~~No~~ Funds may not ~~shall~~ be released for any purpose from
1479 the Educational Enhancement Trust Fund to any school district in
1480 which one or more schools do not have an approved school
1481 improvement plan pursuant to s. 1001.42(16) or do not comply with
1482 school advisory council membership composition requirements
1483 pursuant to s. 1001.452(1). The Commissioner of Education shall
1484 withhold disbursements from the trust fund to any school district
1485 that fails to adopt the performance-based salary schedule
1486 required by s. 1012.22(1).

1487 Section 24. Section 24.1215, Florida Statutes, is amended
1488 to read:

1489 24.1215 Duty to inform public of lottery's significance to
1490 education.--The Division ~~Department~~ of the Lottery shall inform

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1491 the public about the significance of lottery funding to the
1492 state's overall system of public education.

1493 Section 25. Section 24.122, Florida Statutes, is amended to
1494 read:

1495 24.122 Exemption from taxation; state preemption;
1496 inapplicability of other laws.--

1497 (1) This act does ~~shall~~ not ~~be construed to~~ authorize any
1498 lottery except the lottery operated by the division ~~department~~
1499 pursuant to this act.

1500 (2) A ~~No~~ state or local tax may not ~~shall~~ be imposed upon
1501 any prize paid or payable under this act or upon the sale of any
1502 lottery ticket pursuant to this act.

1503 (3) All matters relating to the operation of the state
1504 lottery are preempted to the state, and a ~~no~~ county,
1505 municipality, or other political subdivision of the state may not
1506 ~~shall~~ enact any ordinance relating to the operation of the
1507 lottery authorized by this act. However, this subsection does
1508 ~~shall~~ not prohibit a political subdivision of the state from
1509 requiring a retailer to obtain an occupational license for any
1510 business unrelated to the sale of lottery tickets.

1511 (4) Any state or local law providing any penalty,
1512 disability, restriction, or prohibition for the possession,
1513 manufacture, transportation, distribution, advertising, or sale
1514 of any lottery ticket, including chapter 849, does ~~shall~~ not
1515 apply to the tickets of the state lottery operated pursuant to
1516 this act; and ~~nor shall any~~ such law does not apply to the
1517 possession of a ticket issued by any other government-operated
1518 lottery. In addition, activities of the division ~~department~~ under
1519 this act are exempt from the provisions of:

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1520 (a) Chapter 616, relating to public fairs and expositions.

1521 (b) Chapter 946, relating to correctional work programs.

1522 (c) Chapter 282, relating to communications and data
1523 processing.

1524 (d) Section 110.131, relating to other personal services.

1525 Section 26. Section 24.123, Florida Statutes, is amended to
1526 read:

1527 24.123 Annual audit of financial records and reports.--

1528 (1) The Legislative Auditing Committee shall contract with
1529 a certified public accountant licensed pursuant to chapter 473
1530 for an annual financial audit of the division ~~department~~. The
1531 certified public accountant may not ~~shall~~ have any ~~no~~ financial
1532 interest in any vendor with whom the division ~~department~~ is under
1533 contract. The certified public accountant shall present an audit
1534 report no later than 7 months after the end of the fiscal year
1535 and shall make recommendations to enhance the earning capability
1536 of the state lottery and to improve the efficiency of division
1537 ~~department~~ operations. The certified public accountant shall also
1538 perform a study and evaluation of internal accounting controls
1539 and shall express an opinion on those controls in effect during
1540 the audit period. The cost of the annual financial audit shall be
1541 paid by the division ~~department~~.

1542 (2) The Auditor General may at any time conduct an audit of
1543 any phase of the operations of the state lottery and shall
1544 receive a copy of the yearly independent financial audit and any
1545 security report prepared pursuant to s. 24.108.

1546 (3) A copy of any audit performed pursuant to this section
1547 shall be submitted to the commission, the division director
1548 ~~secretary~~, the Governor, the President of the Senate, the Speaker

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1549 of the House of Representatives, and members of the Legislative
1550 Auditing Committee.

1551 Section 27. Section 24.124, Florida Statutes, is amended to
1552 read:

1553 24.124 Responsibility for ticket accuracy; division
1554 ~~department~~, retailer, and vendor liability.--

1555 (1) Purchasers of online games tickets shall be responsible
1556 for verifying the accuracy of their tickets, including the number
1557 or numbers printed on the tickets. In the event of an error, the
1558 ticket may be canceled and a replacement ticket issued pursuant
1559 to rules adopted ~~promulgated~~ by the Division ~~Department~~ of the
1560 Lottery.

1561 (2) Other than the issuance of a replacement ticket, there
1562 is ~~shall be~~ no right or cause of action and no liability on the
1563 part of the division ~~department~~, retailer, vendor, or any other
1564 person associated with selling an online games ticket, with
1565 respect to errors or inaccuracies contained in the ticket,
1566 including errors in the number or numbers printed on the ticket.

1567 Section 28. Paragraph (a) of subsection (9) of section
1568 112.313, Florida Statutes, is amended to read:

1569 112.313 Standards of conduct for public officers, employees
1570 of agencies, and local government attorneys.--

1571 (9) POSTEMPLOYMENT RESTRICTIONS; STANDARDS OF CONDUCT FOR
1572 LEGISLATORS AND LEGISLATIVE EMPLOYEES.--

1573 (a)1. It is the intent of the Legislature to implement by
1574 statute the provisions of s. 8(e), Art. II of the State
1575 Constitution relating to legislators, statewide elected officers,
1576 appointed state officers, and designated public employees.

1577 2. As used in this paragraph:

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1578 a. "Employee" means:

1579 (I) Any person employed in the executive or legislative
1580 branch of government holding a position in the Senior Management
1581 Service as defined in s. 110.402 or any person holding a position
1582 in the Selected Exempt Service as defined in s. 110.602 or any
1583 person having authority over policy or procurement employed by
1584 the Division ~~Department~~ of the Lottery within the Department of
1585 Gaming Control.

1586 (II) The Auditor General, the director of the Office of
1587 Program Policy Analysis and Government Accountability, the
1588 Sergeant at Arms and Secretary of the Senate, and the Sergeant at
1589 Arms and Clerk of the House of Representatives.

1590 (III) The executive director of the Legislative Committee
1591 on Intergovernmental Relations and the executive director and
1592 deputy executive director of the Commission on Ethics.

1593 (IV) An executive director, staff director, or deputy staff
1594 director of each joint committee, standing committee, or select
1595 committee of the Legislature; an executive director, staff
1596 director, executive assistant, analyst, or attorney of the Office
1597 of the President of the Senate, the Office of the Speaker of the
1598 House of Representatives, the Senate Majority Party Office,
1599 Senate Minority Party Office, House Majority Party Office, or
1600 House Minority Party Office; or any person, hired on a
1601 contractual basis, having the power normally conferred upon such
1602 persons, by whatever title.

1603 (V) The Chancellor and Vice Chancellors of the State
1604 University System; the general counsel to the Board of Governors
1605 of the State University System; and the president, provost, vice
1606 presidents, and deans of each state university.

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1607 (VI) Any person, including an other-personal-services
1608 employee, having the power normally conferred upon the positions
1609 referenced in this sub-subparagraph.

1610 b. "Appointed state officer" means any member of an
1611 appointive board, commission, committee, council, or authority of
1612 the executive or legislative branch of state government whose
1613 powers, jurisdiction, and authority are not solely advisory and
1614 include the final determination or adjudication of any personal
1615 or property rights, duties, or obligations, other than those
1616 relative to its internal operations.

1617 c. "State agency" means an entity of the legislative,
1618 executive, or judicial branch of state government over which the
1619 Legislature exercises plenary budgetary and statutory control.

1620 3. A ~~No~~ member of the Legislature, appointed state officer,
1621 or statewide elected officer may not ~~shall~~ personally represent
1622 another person or entity for compensation before the government
1623 body or agency of which the individual was an officer or member
1624 for a period of 2 years following vacation of office. A ~~No~~ member
1625 of the Legislature may not ~~shall~~ personally represent another
1626 person or entity for compensation during his or her term of
1627 office before any state agency other than judicial tribunals or
1628 in settlement negotiations after the filing of a lawsuit.

1629 4. An agency employee, including an agency employee who was
1630 employed on July 1, 2001, in a Career Service System position
1631 that was transferred to the Selected Exempt Service System under
1632 chapter 2001-43, Laws of Florida, may not personally represent
1633 another person or entity for compensation before the agency with
1634 which he or she was employed for a period of 2 years following

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1635 vacation of position, unless employed by another agency of state
1636 government.

1637 5. Any person violating this paragraph shall be subject to
1638 the penalties provided in s. 112.317 and a civil penalty of an
1639 amount equal to the compensation which the person receives for
1640 the prohibited conduct.

1641 6. This paragraph is not applicable to:

1642 a. A person employed by the Legislature or other agency
1643 prior to July 1, 1989;

1644 b. A person who was employed by the Legislature or other
1645 agency on July 1, 1989, whether or not the person was a defined
1646 employee on July 1, 1989;

1647 c. A person who was a defined employee of the State
1648 University System or the Public Service Commission who held such
1649 employment on December 31, 1994;

1650 d. A person who has reached normal retirement age as
1651 defined in s. 121.021(29), and who has retired under the
1652 provisions of chapter 121 by July 1, 1991; or

1653 e. Any appointed state officer whose term of office began
1654 before January 1, 1995, unless reappointed to that office on or
1655 after January 1, 1995.

1656 Section 29. Subsection (4) of section 120.80, Florida
1657 Statutes, is amended, and subsection (18) is added to that
1658 section, to read:

1659 120.80 Exceptions and special requirements; agencies.--

1660 (4) DEPARTMENT OF BUSINESS AND PROFESSIONAL REGULATION.--

1661 ~~(a) Business regulation.--The Division of Pari-mutuel~~
1662 ~~Wagering is exempt from the hearing and notice requirements of~~
1663 ~~ss. 120.569 and 120.57(1)(a), but only for stewards, judges, and~~

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1664 ~~boards of judges when the hearing is to be held for the purpose~~
1665 ~~of the imposition of fines or suspensions as provided by rules of~~
1666 ~~the Division of Pari-mutuel Wagering, but not for revocations,~~
1667 ~~and only upon violations of subparagraphs 1.-6. The Division of~~
1668 ~~Pari-mutuel Wagering shall adopt rules establishing alternative~~
1669 ~~procedures, including a hearing upon reasonable notice, for the~~
1670 ~~following violations:~~

1671 ~~1. Horse riding, harness riding, greyhound interference,~~
1672 ~~and jai alai game actions in violation of chapter 550.~~

1673 ~~2. Application and usage of drugs and medication to horses,~~
1674 ~~greyhounds, and jai alai players in violation of chapter 550.~~

1675 ~~3. Maintaining or possessing any device which could be used~~
1676 ~~for the injection or other infusion of a prohibited drug to~~
1677 ~~horses, greyhounds, and jai alai players in violation of chapter~~
1678 ~~550.~~

1679 ~~4. Suspensions under reciprocity agreements between the~~
1680 ~~Division of Pari-mutuel Wagering and regulatory agencies of other~~
1681 ~~states.~~

1682 ~~5. Assault or other crimes of violence on premises licensed~~
1683 ~~for pari-mutuel wagering.~~

1684 ~~6. Prearranging the outcome of any race or game.~~

1685 ~~(b) Professional regulation.--Notwithstanding s.~~
1686 ~~120.57(1)(a), formal hearings may not be conducted by the~~
1687 ~~Secretary of Business and Professional Regulation or a board or~~
1688 ~~member of a board within the Department of Business and~~
1689 ~~Professional Regulation for matters relating to the regulation of~~
1690 ~~professions, as defined by chapter 455.~~

1691 (18) DEPARTMENT OF GAMING CONTROL.--The Bureau of Pari-
1692 mutuel Wagering within the Division of Gambling Oversight is

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1693 exempt from the hearing and notice requirements of ss. 120.569
1694 and 120.57(1)(a), but only for stewards, judges, and boards of
1695 judges when the hearing is to be held for the purpose of the
1696 imposition of fines or suspension as provided by rules of the
1697 Bureau of Pari-mutuel Wagering, but not for revocations, and only
1698 upon violations of paragraphs (a)-(f). The Bureau of Pari-mutuel
1699 Wagering shall adopt rules establishing alternative procedures,
1700 including a hearing upon reasonable notice, for the following
1701 violations:

1702 (a) Horse riding, harness riding, greyhound interference,
1703 and jai alai game actions in violation of chapter 550.

1704 (b) Application and usage of drugs and medication to
1705 horses, greyhounds, and jai alai players in violation of chapter
1706 550.

1707 (c) Maintaining or possessing any device that could be used
1708 for the injection or other infusion of a prohibited drug to
1709 horses, greyhounds, and jai alai players in violation of chapter
1710 550.

1711 (d) Suspensions under reciprocity agreements between the
1712 Bureau of Pari-mutuel Wagering and regulatory agencies of other
1713 states.

1714 (e) Assault or other crimes of violence on premises
1715 licensed for pari-mutuel wagering.

1716 (f) Prearranging the outcome of any race or game.

1717 Section 30. Paragraph (e) of subsection (8) of section
1718 213.053, Florida Statutes, is amended to read:

1719 213.053 Confidentiality and information sharing.--

1720 (8) Notwithstanding any other provision of this section,
1721 the department may provide:

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1722 (e) Names, addresses, taxpayer identification numbers, and
1723 outstanding tax liabilities to the Division ~~Department~~ of the
1724 Lottery of the Department of Gaming Control and the Office of
1725 Financial Regulation of the Financial Services Commission in the
1726 conduct of their official duties.

1727
1728 Disclosure of information under this subsection shall be pursuant
1729 to a written agreement between the executive director and the
1730 agency. Such agencies, governmental or nongovernmental, shall be
1731 bound by the same requirements of confidentiality as the
1732 Department of Revenue. Breach of confidentiality is a misdemeanor
1733 of the first degree, punishable as provided by s. 775.082 or s.
1734 775.083.

1735 Section 31. Paragraph (d) of subsection (4) of section
1736 215.20, Florida Statutes, is amended, and paragraph (y) is added
1737 to that subsection, to read:

1738 215.20 Certain income and certain trust funds to contribute
1739 to the General Revenue Fund.--

1740 (4) The income of a revenue nature deposited in the
1741 following described trust funds, by whatever name designated, is
1742 that from which the appropriations authorized by subsection (3)
1743 shall be made:

1744 (d) Within the Department of Business and Professional
1745 Regulation:

- 1746 1. The Administrative Trust Fund.
- 1747 2. The Alcoholic Beverage and Tobacco Trust Fund.
- 1748 3. The Cigarette Tax Collection Trust Fund.
- 1749 4. The Division of Florida Land Sales, Condominiums, and
1750 Mobile Homes Trust Fund.

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1751 5. The Hotel and Restaurant Trust Fund, with the exception
1752 of those fees collected for the purpose of funding of the
1753 hospitality education program as stated in s. 509.302.

1754 6. The Professional Regulation Trust Fund.

1755 ~~7. The trust funds administered by the Division of Pari-~~
1756 ~~mutuel Wagering.~~

1757 (y) Within the Department of Gaming Control, the trust
1758 funds administered by the Bureau of Pari-mutuel Wagering within
1759 the Division of Gambling Oversight.

1760
1761 The enumeration of the foregoing moneys or trust funds shall not
1762 prohibit the applicability thereto of s. 215.24 should the
1763 Governor determine that for the reasons mentioned in s. 215.24
1764 the money or trust funds should be exempt herefrom, as it is the
1765 purpose of this law to exempt income from its force and effect
1766 when, by the operation of this law, federal matching funds or
1767 contributions or private grants to any trust fund would be lost
1768 to the state.

1769 Section 32. Paragraph (b) of subsection (1) of section
1770 215.22, Florida Statutes, is amended to read:

1771 215.22 Certain income and certain trust funds exempt.--

1772 (1) The following income of a revenue nature or the
1773 following trust funds shall be exempt from the appropriation
1774 required by s. 215.20(1):

1775 (b) Trust funds administered by the Division ~~Department~~ of
1776 the Lottery within the Department of Gaming Control.

1777 Section 33. Subsection (16) of section 215.422, Florida
1778 Statutes, is amended to read:

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1779 215.422 Payments, warrants, and invoices; processing time
1780 limits; dispute resolution; agency or judicial branch
1781 compliance.--

1782 (16) Notwithstanding the provisions of s. 24.120(3),
1783 applicable to warrants issued for payment of invoices submitted
1784 by the Division ~~Department~~ of the Lottery within the Department
1785 of Gaming Control, the Chief Financial Officer may, by written
1786 agreement with the Division ~~Department~~ of the Lottery, establish
1787 a shorter time requirement than the 10 days provided in
1788 subsection (2) for warrants issued for payment. Pursuant to such
1789 written agreement, the Division ~~Department~~ of the Lottery within
1790 the Department of Gaming Control shall reimburse the Chief
1791 Financial Officer for costs associated with processing invoices
1792 under the agreement.

1793 Section 34. Subsection (10) of section 287.045, Florida
1794 Statutes, is amended to read:

1795 287.045 Procurement of products and materials with recycled
1796 content.--

1797 (10) An agency, or a vendor contracting with such agency
1798 with respect to work performed under contract, must procure
1799 products or materials with recycled content if the department
1800 determines that those products or materials are available
1801 pursuant to subsection (5). Notwithstanding any other provision
1802 to the contrary, for the purpose of this section, the term
1803 "agency" means any of the various state officers, departments,
1804 boards, commissions, divisions, bureaus, and councils and any
1805 other unit of organization, however designated, of the executive
1806 branch including the Department of Gaming Control ~~the Lottery~~,
1807 the legislative branch, the judicial branch, the university and

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1808 college boards of trustees, and the state universities and
1809 colleges. A decision not to procure such items must be based on
1810 the department's determination that such procurement is not
1811 reasonably available within an acceptable period of time or fails
1812 to meet the performance standards set forth in the applicable
1813 specifications or fails to meet the performance standards of the
1814 agency.

1815 Section 35. Subsections (6) and (7) of section 455.116,
1816 Florida Statutes, are amended to read:

1817 455.116 Regulation trust funds.--The following trust funds
1818 shall be placed in the department:

1819 ~~(6) Pari-mutuel Wagering Trust Fund.~~

1820 (6) ~~(7)~~ Professional Regulation Trust Fund.

1821 Section 36. Subsections (6) and (7) of section 550.002,
1822 Florida Statutes, are amended, and subsections (40) and (41) are
1823 added to that section, to read:

1824 550.002 Definitions.--As used in this chapter, the term:

1825 (6) "Department" means the Department of Gaming Control
1826 ~~Business and Professional Regulation.~~

1827 (7) "Division" means the Division of Gambling Oversight
1828 ~~Pari-mutuel Wagering~~ within the Department of Gaming Control
1829 ~~Business and Professional Regulation.~~

1830 (40) "Bureau" means the Bureau of Pari-mutuel Wagering
1831 within the Division of Gambling Oversight of the Department of
1832 Gaming Control.

1833 (41) "Commission" means the Gaming Commission.

1834 Section 37. Section 550.0115, Florida Statutes, is amended
1835 to read:

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1836 550.0115 Permitholder license.--After a permit has been
1837 issued by the bureau ~~division~~, and after the permit has been
1838 approved by election, the bureau ~~division~~ shall issue to the
1839 permitholder an annual license to conduct pari-mutuel operations
1840 at the location specified in the permit pursuant to the
1841 provisions of this chapter.

1842 Section 38. Section 550.01215, Florida Statutes, is amended
1843 to read:

1844 550.01215 License application; periods of operation; bond,
1845 conversion of permit.--

1846 (1) Each permitholder shall annually, during the period
1847 between December 15 and January 4, file in writing with the
1848 bureau ~~division~~ its application for a license to conduct
1849 performances during the next state fiscal year. Each application
1850 shall specify the number, dates, and starting times of all
1851 performances which the permitholder intends to conduct. It shall
1852 also specify which performances will be conducted as charity or
1853 scholarship performances. In addition, each application for a
1854 license shall include, for each permitholder which elects to
1855 operate a cardroom, the dates and periods of operation the
1856 permitholder intends to operate the cardroom or, for each
1857 thoroughbred permitholder which elects to receive or rebroadcast
1858 out-of-state races after 7 p.m., the dates for all performances
1859 which the permitholder intends to conduct. Permitholders shall be
1860 entitled to amend their applications through February 28.

1861 (2) After the first license has been issued to a
1862 permitholder, all subsequent annual applications for a license
1863 shall be accompanied by proof, in such form as the bureau
1864 ~~division~~ may by rule require, that the permitholder continues to

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1865 possess the qualifications prescribed by this chapter, and that
1866 the permit has not been disapproved at a later election.

1867 (3) Except as provided in s. 550.5251 for thoroughbred
1868 racing, the bureau ~~division~~ shall issue each license no later
1869 than March 15. Each permitholder shall operate all performances
1870 at the date and time specified on its license. The bureau may
1871 ~~division shall have the authority to~~ approve minor changes in
1872 racing dates after a license has been issued. The bureau ~~division~~
1873 may approve changes in racing dates after a license has been
1874 issued when there is no objection from any operating permitholder
1875 located within 50 miles of the permitholder requesting the
1876 changes in operating dates. In the event of an objection, the
1877 bureau ~~division~~ shall approve or disapprove the change in
1878 operating dates based upon the impact on operating permitholders
1879 located within 50 miles of the permitholder requesting the change
1880 in operating dates. In making the determination to change racing
1881 dates, the bureau ~~division~~ shall take into consideration the
1882 impact of such changes on state revenues.

1883 (4) ~~If In the event that~~ a permitholder fails to operate
1884 all performances specified on its license at the date and time
1885 specified, the bureau ~~division~~ shall hold a hearing to determine
1886 whether to fine or suspend the permitholder's license, unless
1887 such failure was the direct result of fire, strike, war, or other
1888 disaster or event beyond the ability of the permitholder to
1889 control. Financial hardship to the permitholder does ~~shall~~ not,
1890 in and of itself, constitute just cause for failure to operate
1891 all performances on the dates and at the times specified.

1892 (5) ~~If In the event that~~ performances licensed to be
1893 operated by a permitholder are vacated, abandoned, or will not be

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1894 used for any reason, any permitholder is ~~shall be~~ entitled,
1895 pursuant to rules adopted by the bureau ~~division~~, to apply to
1896 conduct performances on the dates for which the performances have
1897 been abandoned. The bureau ~~division~~ shall issue an amended
1898 license for all such replacement performances that ~~which~~ have
1899 been requested in compliance with ~~the provisions of~~ this chapter
1900 and bureau ~~division~~ rules.

1901 (6) Any permit that ~~which~~ was converted from a jai alai
1902 permit to a greyhound permit may be converted to a jai alai
1903 permit at any time if the permitholder never conducted greyhound
1904 racing or if the permitholder has not conducted greyhound racing
1905 for a period of 12 consecutive months.

1906 Section 39. Section 550.0235, Florida Statutes, is amended
1907 to read:

1908 550.0235 Limitation of civil liability.--No permittee
1909 conducting a racing meet pursuant to the provisions of this
1910 chapter; no bureau chief, division director, or employee of the
1911 bureau ~~division~~; and no steward, judge, or other person appointed
1912 to act pursuant to this chapter shall be held liable to any
1913 person, partnership, association, corporation, or other business
1914 entity for any cause whatsoever arising out of, or from, the
1915 performance by such permittee, bureau chief, director, employee,
1916 steward, judge, or other person of her or his duties and the
1917 exercise of her or his discretion with respect to the
1918 implementation and enforcement of the statutes and rules
1919 governing the conduct of pari-mutuel wagering, so long as she or
1920 he acted in good faith. This section does ~~shall~~ not limit
1921 liability in any situation in which the negligent maintenance of
1922 the premises or the negligent conduct of a race contributed to an

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1923 accident; and does not ~~nor shall it~~ limit any contractual
1924 liability.

1925 Section 40. Section 550.0251, Florida Statutes, is amended
1926 to read:

1927 550.0251 The powers and duties of the Bureau ~~Division~~ of
1928 Pari-mutuel Wagering within the Division of Gambling Oversight of
1929 the Department of Gaming Control ~~Business and Professional~~
1930 ~~Regulation~~.--The bureau ~~division~~ shall administer this chapter
1931 and regulate the pari-mutuel industry under this chapter and the
1932 rules adopted pursuant thereto, and:

1933 (1) The bureau ~~division~~ shall make an annual report to the
1934 Governor showing its own actions, receipts derived under the
1935 provisions of this chapter, the practical effects of the
1936 application of this chapter, and any suggestions it may approve
1937 for the more effectual accomplishments of the purposes of this
1938 chapter.

1939 (2) The bureau ~~division~~ shall require an oath on
1940 application documents as required by rule, which oath must state
1941 that the information contained in the document is true and
1942 complete.

1943 (3) The bureau ~~division~~ shall adopt reasonable rules for
1944 the control, supervision, and direction of all applicants,
1945 permittees, and licensees and for the holding, conducting, and
1946 operating of all racetracks, race meets, and races held in this
1947 state. Such rules must be uniform in their application and
1948 effect, and the duty of exercising this control and power is made
1949 mandatory upon the bureau ~~division~~.

1950 (4) The bureau ~~division~~ may take testimony concerning any
1951 matter within its jurisdiction and issue summons and subpoenas

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1952 | for any witness and subpoenas duces tecum in connection with any
1953 | matter within the jurisdiction of the bureau ~~division~~ under its
1954 | seal and signed by the director.

1955 | (5) The bureau ~~division~~ may adopt rules establishing
1956 | procedures for testing occupational licenseholders officiating at
1957 | or participating in any race or game at any pari-mutuel facility
1958 | under the jurisdiction of the bureau ~~division~~ for a controlled
1959 | substance or alcohol and may prescribe procedural matters not in
1960 | conflict with s. 120.80(4) (a).

1961 | (6) In addition to the power to exclude certain persons
1962 | from any pari-mutuel facility in this state, the bureau ~~division~~
1963 | may exclude any person from any and all pari-mutuel facilities in
1964 | this state for conduct that would constitute, if the person were
1965 | a licensee, a violation of this chapter or the rules of the
1966 | bureau ~~division~~. The bureau ~~division~~ may exclude from any pari-
1967 | mutuel facility within this state any person who has been ejected
1968 | from a pari-mutuel facility in this state or who has been
1969 | excluded from any pari-mutuel facility in another state by the
1970 | governmental department, agency, commission, or authority
1971 | exercising regulatory jurisdiction over pari-mutuel facilities in
1972 | such other state. The bureau ~~division~~ may authorize any person
1973 | who has been ejected or excluded from pari-mutuel facilities in
1974 | this state or another state to attend the pari-mutuel facilities
1975 | in this state upon a finding that the attendance of such person
1976 | at pari-mutuel facilities would not be adverse to the public
1977 | interest or to the integrity of the sport or industry; however,
1978 | this subsection does ~~shall not be construed to~~ abrogate the
1979 | common-law right of a pari-mutuel permitholder to exclude
1980 | absolutely a patron in this state.

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1981 (7) The bureau ~~division~~ may oversee the making of, and
1982 distribution from, all pari-mutuel pools.

1983 (8) The bureau ~~department~~ may collect taxes and require
1984 compliance with reporting requirements for financial information
1985 as authorized by this chapter. In addition, the commission
1986 ~~secretary of the department~~ may require permitholders conducting
1987 pari-mutuel operations within the state to remit taxes, including
1988 fees, by electronic funds transfer if the taxes and fees amounted
1989 to \$50,000 or more in the prior reporting year.

1990 (9) The bureau ~~division~~ may conduct investigations in
1991 enforcing this chapter, except that all information obtained
1992 pursuant to an investigation by the bureau ~~division~~ for an
1993 alleged violation of this chapter or rules of the bureau ~~division~~
1994 is exempt from s. 119.07(1) and from s. 24(a), Art. I of the
1995 State Constitution until an administrative complaint is issued or
1996 the investigation is closed or ceases to be active. This
1997 subsection does not prohibit the bureau ~~division~~ from providing
1998 such information to any law enforcement agency or to any other
1999 regulatory agency. For the purposes of this subsection, an
2000 investigation is considered to be active while it is being
2001 conducted with reasonable dispatch and with a reasonable, good
2002 faith belief that it could lead to an administrative, civil, or
2003 criminal action by the division or another administrative or law
2004 enforcement agency. Except for active criminal intelligence or
2005 criminal investigative information, as defined in s. 119.011, and
2006 any other information that, if disclosed, would jeopardize the
2007 safety of an individual, all information, records, and
2008 transcriptions become public when the investigation is closed or
2009 ceases to be active.

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2010 (10) The bureau ~~division~~ may impose an administrative fine
2011 for a violation under this chapter of not more than \$1,000 for
2012 each count or separate offense, except as otherwise provided in
2013 this chapter, and may suspend or revoke a permit, a pari-mutuel
2014 license, or an occupational license for a violation under this
2015 chapter. All fines imposed and collected under this subsection
2016 must be deposited with the Chief Financial Officer to the credit
2017 of the General Revenue Fund.

2018 (11) The bureau ~~division~~ shall supervise and regulate the
2019 welfare of racing animals at pari-mutuel facilities.

2020 (12) The Bureau of Cardrooms within the Division of
2021 Gambling Oversight ~~division~~ shall have full authority and power
2022 to make, adopt, amend, or repeal rules relating to cardroom
2023 operations, to enforce and to carry out the provisions of s.
2024 849.086, and to regulate the authorized cardroom activities in
2025 the state.

2026 (13) The bureau may ~~division shall have the authority to~~
2027 suspend a permitholder's permit or license, if such permitholder
2028 is operating a cardroom facility and such permitholder's cardroom
2029 license has been suspended or revoked pursuant to s. 849.086.

2030 Section 41. Subsections (1), (2), (4), (6), and (8) of
2031 section 550.0351, Florida Statutes, are amended to read:

2032 550.0351 Charity racing days.--

2033 (1) The bureau ~~division~~ shall, upon the request of a
2034 permitholder, authorize each horseracing permitholder, dogracing
2035 permitholder, and jai alai permitholder up to five charity or
2036 scholarship days in addition to the regular racing days
2037 authorized by law.

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2038 (2) The proceeds of charity performances shall be paid to
2039 qualified beneficiaries selected by the permitholders from an
2040 authorized list of charities on file with the bureau ~~division~~.
2041 Eligible charities include any charity that provides evidence of
2042 compliance with the provisions of chapter 496 and evidence of
2043 possession of a valid exemption from federal taxation issued by
2044 the Internal Revenue Service. In addition, the authorized list
2045 must include the Racing Scholarship Trust Fund, the Historical
2046 Resources Operating Trust Fund, major state and private
2047 institutions of higher learning, and Florida community colleges.

2048 (4) The total of all profits derived from the conduct of a
2049 charity day performance must include all revenues derived from
2050 the conduct of that racing performance, including all state taxes
2051 that would otherwise be due to the state, except that the daily
2052 license fee as provided in s. 550.0951(1) and the breaks for the
2053 promotional trust funds as provided in s. 550.2625(3), (4), (5),
2054 (7), and (8) shall be paid to the bureau ~~division~~. All other
2055 revenues from the charity racing performance, including the
2056 commissions, breaks, and admissions and the revenues from
2057 parking, programs, and concessions, shall be included in the
2058 total of all profits.

2059 (6) (a) The bureau ~~division~~ shall authorize one additional
2060 scholarship day for horseracing in addition to the regular racing
2061 days authorized by law and any additional days authorized by this
2062 section, to be conducted at all horse racetracks located in
2063 Hillsborough County. The permitholder shall conduct a full
2064 schedule of racing on the scholarship day.

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2065 (b) The funds derived from the operation of the additional
2066 scholarship day shall be allocated as provided in this section
2067 and paid to Pasco-Hernando Community College.

2068 (c) When a charity or scholarship performance is conducted
2069 as a matinee performance, the bureau ~~division~~ may authorize the
2070 permitholder to conduct the evening performances of that
2071 operation day as a regular performance in addition to the regular
2072 operating days authorized by law.

2073 (8) In addition to the eligible charities that meet the
2074 criteria set forth in this section, a jai alai permitholder is
2075 authorized to conduct two additional charity performances each
2076 fiscal year for a fund to benefit retired jai alai players. This
2077 performance shall be known as the "Retired Jai Alai Players
2078 Charity Day." The administration of this fund shall be determined
2079 by rule by the bureau ~~division~~.

2080 Section 42. Section 550.054, Florida Statutes, is amended
2081 to read:

2082 550.054 Application for permit to conduct pari-mutuel
2083 wagering.--

2084 (1) Any person who possesses the qualifications prescribed
2085 in this chapter may apply to the bureau ~~division~~ for a permit to
2086 conduct pari-mutuel operations under this chapter. Applications
2087 for a pari-mutuel permit are exempt from the 90-day licensing
2088 requirement of s. 120.60. Within 120 days after receipt of a
2089 complete application, the bureau ~~division~~ shall grant or deny the
2090 permit. A completed application that is not acted upon within 120
2091 days after receipt is deemed approved, and the bureau ~~division~~
2092 shall grant the permit.

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2093 (2) Upon each application filed and approved, a permit
2094 shall be issued to the applicant setting forth the name of the
2095 permitholder, the location of the pari-mutuel facility, the type
2096 of pari-mutuel activity desired to be conducted, and a statement
2097 showing qualifications of the applicant to conduct pari-mutuel
2098 performances under this chapter; however, a permit is ineffectual
2099 to authorize any pari-mutuel performances until approved by a
2100 majority of the electors participating in a ratification election
2101 in the county in which the applicant proposes to conduct pari-
2102 mutuel wagering activities. In addition, an application may not
2103 be considered, nor may a permit be issued by the bureau ~~division~~
2104 or be voted upon in any county, to conduct horseraces, harness
2105 horse races, or dograces at a location within 100 miles of an
2106 existing pari-mutuel facility, or for jai alai within 50 miles of
2107 an existing pari-mutuel facility; this distance shall be measured
2108 on a straight line from the nearest property line of one pari-
2109 mutuel facility to the nearest property line of the other
2110 facility.

2111 (3) The bureau ~~division~~ shall require that each applicant
2112 submit an application setting forth:

2113 (a) The full name of the applicant.

2114 (b) If a corporation, the name of the state in which
2115 incorporated and the names and addresses of the officers,
2116 directors, and shareholders holding 5 percent or more equity or,
2117 if a business entity other than a corporation, the names and
2118 addresses of the principals, partners, or shareholders holding 5
2119 percent or more equity.

2120 (c) The names and addresses of the ultimate equitable
2121 owners for a corporation or other business entity, if different

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2122 from those provided under paragraph (b), unless the securities of
2123 the corporation or entity are registered pursuant to s. 12 of the
2124 Securities Exchange Act of 1934, 15 U.S.C. ss. 78a-78kk; and if
2125 such corporation or entity files with the United States
2126 Securities and Exchange Commission the reports required by s. 13
2127 of that act or if the securities of the corporation or entity are
2128 regularly traded on an established securities market in the
2129 United States.

2130 (d) The exact location where the applicant will conduct
2131 pari-mutuel performances.

2132 (e) Whether the pari-mutuel facility is owned or leased
2133 and, if leased, the name and residence of the fee owner or, if a
2134 corporation, the names and addresses of the directors and
2135 stockholders thereof. However, this chapter does not prevent a
2136 person from applying to the bureau ~~division~~ for a permit to
2137 conduct pari-mutuel operations, regardless of whether the pari-
2138 mutuel facility has been constructed or not, and having an
2139 election held in any county at the same time that elections are
2140 held for the ratification of any permit in that county.

2141 (f) A statement of the assets and liabilities of the
2142 applicant.

2143 (g) The names and addresses of any mortgagee of any pari-
2144 mutuel facility and any financial agreement between the parties.
2145 The bureau ~~division~~ may require the names and addresses of the
2146 officers and directors of the mortgagee, and of those
2147 stockholders who hold more than 10 percent of the stock of the
2148 mortgagee.

2149 (h) A business plan for the first year of operation.

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2150 (i) For each individual listed in the application as an
2151 owner, partner, officer, or director, a complete set of
2152 fingerprints that has been taken by an authorized law enforcement
2153 officer. These sets of fingerprints must be submitted to the
2154 Federal Bureau of Investigation for processing. Applicants who
2155 are foreign nationals shall submit such documents as necessary to
2156 allow the bureau ~~division~~ to conduct criminal history records
2157 checks in the applicant's home country. The applicant must pay
2158 the cost of processing. The bureau ~~division~~ may charge a \$2
2159 handling fee for each set of fingerprint records.

2160 (j) The type of pari-mutuel activity to be conducted and
2161 the desired period of operation.

2162 (k) Other information the bureau ~~division~~ requires.

2163 (4) The bureau ~~division~~ shall require each applicant to
2164 deposit with the board of county commissioners of the county in
2165 which the election is to be held, a sufficient sum, in currency
2166 or by check certified by a bank licensed to do business in the
2167 state to pay the expenses of holding the election provided in s.
2168 550.0651.

2169 (5) Upon receiving an application and any amendments
2170 properly made thereto, the bureau ~~division~~ shall further
2171 investigate the matters contained in the application. If the
2172 applicant meets all requirements, conditions, and qualifications
2173 set forth in this chapter and the rules of the bureau ~~division~~,
2174 the bureau ~~division~~ shall grant the permit.

2175 (6) After initial approval of the permit and the source of
2176 financing, the terms and parties of any subsequent refinancing
2177 must be disclosed by the applicant or the permitholder to the
2178 bureau ~~division~~.

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2179 (7) If the bureau ~~division~~ refuses to grant the permit, the
2180 money deposited with the board of county commissioners for
2181 holding the election must be refunded to the applicant. If the
2182 bureau ~~division~~ grants the permit applied for, the board of
2183 county commissioners shall order an election in the county to
2184 decide whether the permit will be approved, as provided in s.
2185 550.0651.

2186 (8) (a) The bureau ~~division~~ may charge the applicant for
2187 reasonable, anticipated costs incurred by the bureau ~~division~~ in
2188 determining the eligibility of any person or entity specified in
2189 s. 550.1815(1) (a) to hold any pari-mutuel permit, against such
2190 person or entity.

2191 (b) The bureau ~~division~~ may, by rule, determine the manner
2192 of paying its anticipated costs associated with determination of
2193 eligibility and the procedure for filing applications for
2194 determination of eligibility.

2195 (c) The bureau ~~division~~ shall furnish to the applicant an
2196 itemized statement of actual costs incurred during the
2197 investigation to determine eligibility.

2198 (d) If unused funds remain at the conclusion of such
2199 investigation, they must be returned to the applicant within 60
2200 days after the determination of eligibility has been made.

2201 (e) If the actual costs of investigation exceed anticipated
2202 costs, the bureau ~~division~~ shall assess the applicant the amount
2203 necessary to recover all actual costs.

2204 (9) (a) After a permit has been granted by the bureau
2205 ~~division~~ and has been ratified and approved by the majority of
2206 the electors participating in the election in the county
2207 designated in the permit, the bureau ~~division~~ shall grant to the

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2208 lawful permitholder, subject to the conditions of this chapter, a
2209 license to conduct pari-mutuel operations under this chapter,
2210 and, except as provided in s. 550.5251, the bureau ~~division~~ shall
2211 fix annually the time, place, and number of days during which
2212 pari-mutuel operations may be conducted by the permitholder at
2213 the location fixed in the permit and ratified in the election.
2214 After the first license has been issued to the holder of a
2215 ratified permit for racing in any county, all subsequent annual
2216 applications for a license by that permitholder must be
2217 accompanied by proof, in such form as the bureau ~~division~~
2218 requires, that the ratified permitholder still possesses all the
2219 qualifications prescribed by this chapter and that the permit has
2220 not been recalled at a later election held in the county.

2221 (b) The bureau ~~division~~ may revoke or suspend any permit or
2222 license issued under this chapter upon the willful violation by
2223 the permitholder or licensee of any provision of this chapter or
2224 of any rule adopted under this chapter. In lieu of suspending or
2225 revoking a permit or license, the bureau ~~division~~ may impose a
2226 civil penalty against the permitholder or licensee for a
2227 violation of this chapter or any rule adopted by the bureau
2228 ~~division~~. The penalty so imposed may not exceed \$1,000 for each
2229 count or separate offense. All penalties imposed and collected
2230 must be deposited with the Chief Financial Officer to the credit
2231 of the General Revenue Fund.

2232 (10) If a permitholder has failed to complete construction
2233 of at least 50 percent of the facilities necessary to conduct
2234 pari-mutuel operations within 12 months after approval by the
2235 voters of the permit, the bureau ~~division~~ shall revoke the permit
2236 upon adequate notice to the permitholder. However, the bureau

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2237 ~~division~~, upon good cause shown by the permitholder, may grant
2238 one extension of up to 12 months.

2239 (11) (a) A permit granted under this chapter may not be
2240 transferred or assigned except upon written approval by the
2241 bureau ~~division~~ pursuant to s. 550.1815, except that the holder
2242 of any permit that has been converted to a jai alai permit may
2243 lease or build anywhere within the county in which its permit is
2244 located.

2245 (b) If a permit to conduct pari-mutuel wagering is held by
2246 a corporation or business entity other than an individual, the
2247 transfer of 10 percent or more of the stock or other evidence of
2248 ownership or equity in the permitholder may not be made without
2249 the prior approval of the transferee by the bureau ~~division~~
2250 pursuant to s. 550.1815.

2251 (12) Changes in ownership or interest of a pari-mutuel
2252 permit of 5 percent or more of the stock or other evidence of
2253 ownership or equity in the permitholder shall be approved by the
2254 bureau ~~division~~ prior to such change, unless the owner is an
2255 existing owner of that permit who was previously approved by the
2256 bureau ~~division~~. Changes in ownership or interest of a pari-
2257 mutuel permit of less than 5 percent shall be reported to the
2258 bureau ~~division~~ within 20 days of the change. The bureau ~~division~~
2259 may then conduct an investigation to ensure that the permit is
2260 properly updated to show the change in ownership or interest.

2261 (13) (a) Notwithstanding any provisions of this chapter, a
2262 ~~ne~~ thoroughbred horse racing permit or license issued under this
2263 chapter may not ~~shall~~ be transferred, or reissued when such
2264 reissuance is in the nature of a transfer so as to permit or
2265 authorize a licensee to change the location of a thoroughbred

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2266 horse racetrack except upon proof in such form as the bureau
2267 ~~division~~ may prescribe that a referendum election has been held:

2268 1. If the proposed new location is within the same county
2269 as the already licensed location, in the county where the
2270 licensee desires to conduct the race meeting and that a majority
2271 of the electors voting on that question in such election voted in
2272 favor of the transfer of such license.

2273 2. If the proposed new location is not within the same
2274 county as the already licensed location, in the county where the
2275 licensee desires to conduct the race meeting and in the county
2276 where the licensee is already licensed to conduct the race
2277 meeting and that a majority of the electors voting on that
2278 question in each such election voted in favor of the transfer of
2279 such license.

2280 (b) Each referendum held under the provisions of this
2281 subsection shall be held in accordance with the electoral
2282 procedures for ratification of permits, as provided in s.
2283 550.0651. The expense of each such referendum shall be borne by
2284 the licensee requesting the transfer.

2285 Section 43. Subsections (1), (3), and (5) of section
2286 550.0651, Florida Statutes, are amended to read:

2287 550.0651 Elections for ratification of permits.--

2288 (1) The holder of any permit may have submitted to the
2289 electors of the county designated therein the question whether or
2290 not such permit will be ratified or rejected. Such questions
2291 shall be submitted to the electors for approval or rejection at a
2292 special election to be called for that purpose only. The board of
2293 county commissioners of the county designated, upon the
2294 presentation to such board at a regular or special meeting of a

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2295 written application, accompanied by a certified copy of the
2296 permit granted by the bureau ~~division~~, and asking for an election
2297 in the county in which the application was made, shall order a
2298 special election in the county for the particular purpose of
2299 deciding whether such permit shall be approved and license issued
2300 and race meetings permitted in such county by such permittee and
2301 shall cause the clerk of such board to give notice of the special
2302 election by publishing the same once each week for 2 consecutive
2303 weeks in one or more newspapers of general circulation in the
2304 county. Each permit covering each track must be voted upon
2305 separately and in separate elections, and an election may not be
2306 called more often than once every 2 years for the ratification of
2307 any permit covering the same track.

2308 (3) When a permit has been granted by the bureau ~~division~~
2309 and no application to the board of county commissioners has been
2310 made by the permittee within 6 months after the granting of the
2311 permit, the permit becomes void. The bureau ~~division~~ shall cancel
2312 the permit without notice to the permitholder, and the board of
2313 county commissioners holding the deposit for the election shall
2314 refund the deposit to the permitholder upon being notified by the
2315 bureau ~~division~~ that the permit has become void and has been
2316 canceled.

2317 (5) If at any such special election the majority of the
2318 electors voting on the question of ratification or rejection of
2319 any permit vote against such ratification, such permit is void.
2320 If a majority of the electors voting on the question of
2321 ratification or rejection of any permit vote for such
2322 ratification, such permit becomes effectual and the holder
2323 thereof may conduct racing upon complying with the other

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2324 provisions of this chapter. The board of county commissioners
2325 shall immediately certify the results of the election to the
2326 bureau ~~division~~.

2327 Section 44. Subsections (1) and (4) of section 550.0745,
2328 Florida Statutes, are amended to read:

2329 550.0745 Conversion of pari-mutuel permit to summer jai
2330 alai permit.--

2331 (1) The owner or operator of a pari-mutuel permit who is
2332 authorized by the bureau ~~division~~ to conduct pari-mutuel pools on
2333 exhibition sports in any county having five or more such pari-
2334 mutuel permits and whose mutuel play from the operation of such
2335 pari-mutuel pools for the 2 consecutive years next prior to
2336 filing an application under this section has had the smallest
2337 play or total pool within the county may apply to the bureau
2338 ~~division~~ to convert its permit to a permit to conduct a summer
2339 jai alai fronton in such county during the summer season
2340 commencing on May 1 and ending on November 30 of each year on
2341 such dates as may be selected by such permittee for the same
2342 number of days and performances as are allowed and granted to
2343 winter jai alai frontons within such county. If a permittee who
2344 is eligible under this section to convert a permit declines to
2345 convert, a new permit is hereby made available in that
2346 permittee's county to conduct summer jai alai games as provided
2347 by this section, notwithstanding mileage and permit ratification
2348 requirements. If a permittee converts a quarter horse permit
2349 pursuant to this section, nothing in this section prohibits the
2350 permittee from obtaining another quarter horse permit. Such
2351 permittee shall pay the same taxes as are fixed and required to
2352 be paid from the pari-mutuel pools of winter jai alai permittees

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2353 and is bound by all of the rules and provisions of this chapter
2354 which apply to the operation of winter jai alai frontons. Such
2355 permittee shall only be permitted to operate a jai alai fronton
2356 after its application has been submitted to the bureau ~~division~~
2357 and its license has been issued pursuant to the application. The
2358 license is renewable from year to year as provided by law.

2359 (4) The provisions of this chapter which prohibit the
2360 location and operation of jai alai frontons within a specified
2361 distance from the location of another jai alai fronton or other
2362 permittee and which prohibit the bureau ~~division~~ from granting
2363 any permit at a location within a certain designated area do not
2364 apply to the provisions of this section and do not prevent the
2365 issuance of a license under this section.

2366 Section 45. Subsections (1) and (2), paragraph (c) of
2367 subsection (3), and subsections (5) and (6) of section 550.0951,
2368 Florida Statutes, are amended to read:

2369 550.0951 Payment of daily license fee and taxes;
2370 penalties.--

2371 (1) (a) DAILY LICENSE FEE.--Each person engaged in the
2372 business of conducting race meetings or jai alai games under this
2373 chapter, hereinafter referred to as the "permitholder,"
2374 "licensee," or "permittee," shall pay to the bureau ~~division~~, for
2375 the use of the bureau ~~division~~, a daily license fee on each live
2376 or simulcast pari-mutuel event of \$100 for each horserace and \$80
2377 for each dograce and \$40 for each jai alai game conducted at a
2378 racetrack or fronton licensed under this chapter. In addition to
2379 the tax exemption specified in s. 550.09514(1) of \$360,000 or
2380 \$500,000 per greyhound permitholder per state fiscal year, each
2381 greyhound permitholder shall receive in the current state fiscal

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2382 | year a tax credit equal to the number of live greyhound races
2383 | conducted in the previous state fiscal year times the daily
2384 | license fee specified for each dograce in this subsection
2385 | applicable for the previous state fiscal year. This tax credit
2386 | and the exemption in s. 550.09514(1) shall be applicable to any
2387 | tax imposed by this chapter or the daily license fees imposed by
2388 | this chapter except during any charity or scholarship
2389 | performances conducted pursuant to s. 550.0351. Each permitholder
2390 | shall pay daily license fees not to exceed \$500 per day on any
2391 | simulcast races or games on which such permitholder accepts
2392 | wagers regardless of the number of out-of-state events taken or
2393 | the number of out-of-state locations from which such events are
2394 | taken. This license fee shall be deposited with the Chief
2395 | Financial Officer to the credit of the Pari-mutuel Wagering Trust
2396 | Fund.

2397 | (b) Each permitholder that cannot utilize the full amount
2398 | of the exemption of \$360,000 or \$500,000 provided in s.
2399 | 550.09514(1) or the daily license fee credit provided in this
2400 | section may, after notifying the bureau ~~division~~ in writing,
2401 | elect once per state fiscal year on a form provided by the bureau
2402 | ~~division~~ to transfer such exemption or credit or any portion
2403 | thereof to any greyhound permitholder which acts as a host track
2404 | to such permitholder for the purpose of intertrack wagering. Once
2405 | an election to transfer such exemption or credit is filed with
2406 | the bureau ~~division~~, it shall not be rescinded. The bureau
2407 | ~~division~~ shall disapprove the transfer when the amount of the
2408 | exemption or credit or portion thereof is unavailable to the
2409 | transferring permitholder or when the permitholder who is
2410 | entitled to transfer the exemption or credit or who is entitled

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2411 to receive the exemption or credit owes taxes to the state
2412 pursuant to a deficiency letter or administrative complaint
2413 issued by the bureau ~~division~~. Upon approval of the transfer by
2414 the bureau ~~division~~, the transferred tax exemption or credit
2415 shall be effective for the first performance of the next biweekly
2416 pay period as specified in subsection (5). The exemption or
2417 credit transferred to such host track may be applied by such host
2418 track against any taxes imposed by this chapter or daily license
2419 fees imposed by this chapter. The greyhound permitholder host
2420 track to which such exemption or credit is transferred shall
2421 reimburse such permitholder the exact monetary value of such
2422 transferred exemption or credit as actually applied against the
2423 taxes and daily license fees of the host track. The bureau
2424 ~~division~~ shall ensure that all transfers of exemption or credit
2425 are made in accordance with this subsection and shall have the
2426 authority to adopt rules to ensure the implementation of this
2427 section.

2428 (2) ADMISSION TAX.--

2429 (a) An admission tax equal to 15 percent of the admission
2430 charge for entrance to the permitholder's facility and grandstand
2431 area, or 10 cents, whichever is greater, is imposed on each
2432 person attending a horserace, dograce, or jai alai game. The
2433 permitholder shall be responsible for collecting the admission
2434 tax.

2435 (b) ~~No~~ Admission tax under this chapter or chapter 212 may
2436 not shall be imposed on any free passes or complimentary cards
2437 issued to persons for which there is no cost to the person for
2438 admission to pari-mutuel events.

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2439 (c) A permitholder may issue tax-free passes to its
2440 officers, officials, and employees or other persons actually
2441 engaged in working at the racetrack, including accredited press
2442 representatives such as reporters and editors, and may also issue
2443 tax-free passes to other permitholders for the use of their
2444 officers and officials. The permitholder shall file with the
2445 bureau ~~division~~ a list of all persons to whom tax-free passes are
2446 issued under this paragraph.

2447 (3) TAX ON HANDLE.--Each permitholder shall pay a tax on
2448 contributions to pari-mutuel pools, the aggregate of which is
2449 hereinafter referred to as "handle," on races or games conducted
2450 by the permitholder. The tax is imposed daily and is based on the
2451 total contributions to all pari-mutuel pools conducted during the
2452 daily performance. If a permitholder conducts more than one
2453 performance daily, the tax is imposed on each performance
2454 separately.

2455 (c)1. The tax on handle for intertrack wagering is 2.0
2456 percent of the handle if the host track is a horse track, 3.3
2457 percent if the host track is a harness track, 5.5 percent if the
2458 host track is a dog track, and 7.1 percent if the host track is a
2459 jai alai fronton. The tax on handle for intertrack wagering is
2460 0.5 percent if the host track and the guest track are
2461 thoroughbred permitholders or if the guest track is located
2462 outside the market area of the host track and within the market
2463 area of a thoroughbred permitholder currently conducting a live
2464 race meet. The tax on handle for intertrack wagering on
2465 rebroadcasts of simulcast thoroughbred horseraces is 2.4 percent
2466 of the handle and 1.5 percent of the handle for intertrack

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2467 | wagering on rebroadcasts of simulcast harness horseraces. The tax
2468 | shall be deposited into the Pari-mutuel Wagering Trust Fund.

2469 | 2. The tax on handle for intertrack wagers accepted by any
2470 | dog track located in an area of the state in which there are only
2471 | three permitholders, all of which are greyhound permitholders,
2472 | located in three contiguous counties, from any greyhound
2473 | permitholder also located within such area or any dog track or
2474 | jai alai fronton located as specified in s. 550.615(6) or (9), on
2475 | races or games received from the same class of permitholder
2476 | located within the same market area is 3.9 percent if the host
2477 | facility is a greyhound permitholder and, if the host facility is
2478 | a jai alai permitholder, the rate shall be 6.1 percent except
2479 | that it shall be 2.3 percent on handle at such time as the total
2480 | tax on intertrack handle paid to the bureau ~~division~~ by the
2481 | permitholder during the current state fiscal year exceeds the
2482 | total tax on intertrack handle paid to the bureau ~~division~~ by the
2483 | permitholder during the 1992-1993 state fiscal year.

2484 | (5) PAYMENT AND DISPOSITION OF FEES AND TAXES.--Payment for
2485 | the admission tax, tax on handle, and the breaks tax imposed by
2486 | this section shall be paid to the bureau ~~division~~. The bureau
2487 | ~~division~~ shall deposit these sums with the Chief Financial
2488 | Officer, to the credit of the Pari-mutuel Wagering Trust Fund,
2489 | hereby established. The permitholder shall remit to the bureau
2490 | ~~division~~ payment for the daily license fee, the admission tax,
2491 | the tax on handle, and the breaks tax. Such payments shall be
2492 | remitted by 3 p.m. Wednesday of each week for taxes imposed and
2493 | collected for the preceding week ending on Sunday. Permitholders
2494 | shall file a report under oath by the 5th day of each calendar
2495 | month for all taxes remitted during the preceding calendar month.

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2496 Such payments shall be accompanied by a report under oath showing
2497 the total of all admissions, the pari-mutuel wagering activities
2498 for the preceding calendar month, and such other information as
2499 may be prescribed by the bureau ~~division~~.

2500 (6) PENALTIES.--

2501 (a) The failure of any permitholder to make payments as
2502 prescribed in subsection (5) is a violation of this section, and
2503 the permitholder may be subjected by the bureau ~~division~~ to a
2504 civil penalty of up to \$1,000 for each day the tax payment is not
2505 remitted. All penalties imposed and collected shall be deposited
2506 in the General Revenue Fund. If a permitholder fails to pay
2507 penalties imposed by order of the bureau ~~division~~ under this
2508 subsection, the bureau ~~division~~ may suspend or revoke the license
2509 of the permitholder, cancel the permit of the permitholder, or
2510 deny issuance of any further license or permit to the
2511 permitholder.

2512 (b) In addition to the civil penalty prescribed in
2513 paragraph (a), any willful or wanton failure by any permitholder
2514 to make payments of the daily license fee, admission tax, tax on
2515 handle, or breaks tax constitutes sufficient grounds for the
2516 bureau ~~division~~ to suspend or revoke the license of the
2517 permitholder, to cancel the permit of the permitholder, or to
2518 deny issuance of any further license or permit to the
2519 permitholder.

2520 Section 46. Subsections (2) and (3) of section 550.09511,
2521 Florida Statutes, are amended to read:

2522 550.09511 Jai alai taxes; abandoned interest in a permit
2523 for nonpayment of taxes.--

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2524 (2) Notwithstanding the provisions of s. 550.0951(3)(b),
2525 wagering on live jai alai performances shall be subject to the
2526 following taxes:

2527 (a)1. The tax on handle per performance for live jai alai
2528 performances is 4.25 percent of handle per performance. However,
2529 when the live handle of a permitholder during the preceding state
2530 fiscal year was less than \$15 million, the tax shall be paid on
2531 the handle in excess of \$30,000 per performance per day.

2532 2. The tax rate shall be applicable only until the
2533 requirements of paragraph (b) are met.

2534 (b) At such time as the total of admissions tax, daily
2535 license fee, and tax on handle for live jai alai performances
2536 paid to the bureau ~~division~~ by a permitholder during the current
2537 state fiscal year exceeds the total state tax revenues from
2538 wagering on live jai alai performances paid or due by the
2539 permitholder in fiscal year 1991-1992, the permitholder shall pay
2540 tax on handle for live jai alai performances at a rate of 2.55
2541 percent of the handle per performance for the remainder of the
2542 current state fiscal year. For purposes of this section, total
2543 state tax revenues on live jai alai wagering in fiscal year 1991-
2544 1992 shall include any admissions tax, tax on handle, surtaxes on
2545 handle, and daily license fees.

2546 (c) If ~~no~~ tax on handle for live jai alai performances was
2547 not ~~were~~ paid to the bureau ~~division~~ by a jai alai permitholder
2548 during the 1991-1992 state fiscal year, then at such time as the
2549 total of admissions tax, daily license fee, and tax on handle for
2550 live jai alai performances paid to the bureau ~~division~~ by a
2551 permitholder during the current state fiscal year exceeds the
2552 total state tax revenues from wagering on live jai alai

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2553 | performances paid or due by the permitholder in the last state
2554 | fiscal year in which the permitholder conducted a full schedule
2555 | of live games, the permitholder shall pay tax on handle for live
2556 | jai alai performances at a rate of 3.3 percent of the handle per
2557 | performance for the remainder of the current state fiscal year.
2558 | For purposes of this section, total state tax revenues on live
2559 | jai alai wagering shall include any admissions tax, tax on
2560 | handle, surtaxes on handle, and daily license fees. This
2561 | paragraph shall take effect July 1, 1993.

2562 | (d) A permitholder who obtains a new permit issued by the
2563 | bureau ~~division~~ subsequent to the 1991-1992 state fiscal year and
2564 | a permitholder whose permit has been converted to a jai alai
2565 | permit under the provisions of this chapter, shall, at such time
2566 | as the total of admissions tax, daily license fee, and tax on
2567 | handle for live jai alai performances paid to the bureau ~~division~~
2568 | by the permitholder during the current state fiscal year exceeds
2569 | the average total state tax revenues from wagering on live jai
2570 | alai performances for the first 3 consecutive jai alai seasons
2571 | paid to or due the bureau ~~division~~ by the permitholder and during
2572 | which the permitholder conducted a full schedule of live games,
2573 | pay tax on handle for live jai alai performances at a rate of 3.3
2574 | percent of the handle per performance for the remainder of the
2575 | current state fiscal year.

2576 | (e) The payment of taxes pursuant to paragraphs (b), (c),
2577 | and (d) shall be calculated and commence beginning the day after
2578 | the biweekly period in which the permitholder is first entitled
2579 | to the reduced rate specified in this section and the report of
2580 | taxes required by s. 550.0951(5) is submitted to the bureau
2581 | ~~division~~.

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2582 (f) A jai alai permitholder paying taxes under this section
2583 shall retain the breaks and pay an amount equal to the breaks as
2584 special prize awards which shall be in addition to the regular
2585 contracted prize money paid to jai alai players at the
2586 permitholder's facility. Payment of the special prize money shall
2587 be made during the permitholder's current meet.

2588 (g) For purposes of this section, "handle" has ~~shall have~~
2589 the same meaning as in s. 550.0951, and does ~~shall~~ not include
2590 handle from intertrack wagering.

2591 (3) (a) Notwithstanding the provisions of subsection (2) and
2592 s. 550.0951(3)(c)1., any jai alai permitholder which is
2593 restricted under Florida law from operating live performances on
2594 a year-round basis is entitled to conduct wagering on live
2595 performances at a tax rate of 3.85 percent of live handle. Such
2596 permitholder is also entitled to conduct intertrack wagering as a
2597 host permitholder on live jai alai games at its fronton at a tax
2598 rate of 3.3 percent of handle at such time as the total tax on
2599 intertrack handle paid to the bureau ~~division~~ by the permitholder
2600 during the current state fiscal year exceeds the total tax on
2601 intertrack handle paid to the bureau ~~division~~ by the permitholder
2602 during the 1992-1993 state fiscal year.

2603 (b) The payment of taxes pursuant to paragraph (a) shall be
2604 calculated and commence beginning the day after the biweekly
2605 period in which the permitholder is first entitled to the reduced
2606 rate specified in this subsection.

2607 Section 47. Paragraph (b) of subsection (3) of section
2608 550.09512, Florida Statutes, is amended to read:

2609 550.09512 Harness horse taxes; abandoned interest in a
2610 permit for nonpayment of taxes.--

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2611 (3)
2612 (b) In order to maximize the tax revenues to the state, the
2613 bureau ~~division~~ shall reissue an escheated harness horse permit
2614 to a qualified applicant pursuant to the provisions of this
2615 chapter as for the issuance of an initial permit. However, the
2616 provisions of this chapter relating to referendum requirements
2617 for a pari-mutuel permit do ~~shall~~ not apply to the reissuance of
2618 an escheated harness horse permit. As specified in the
2619 application and upon approval by the bureau ~~division~~ of an
2620 application for the permit, the new permitholder shall be
2621 authorized to operate a harness horse facility anywhere in the
2622 same county in which the escheated permit was authorized to be
2623 operated, notwithstanding the provisions of s. 550.054(2)
2624 relating to mileage limitations.

2625 Section 48. Subsection (2) of section 550.09514, Florida
2626 Statutes, is amended to read:

2627 550.09514 Greyhound dogracing taxes; purse requirements.--

2628 (2) (a) The bureau ~~division~~ shall determine for each
2629 greyhound permitholder the annual purse percentage rate of live
2630 handle for the state fiscal year 1993-1994 by dividing total
2631 purses paid on live handle by the permitholder, exclusive of
2632 payments made from outside sources, during the 1993-1994 state
2633 fiscal year by the permitholder's live handle for the 1993-1994
2634 state fiscal year. Each permitholder shall pay as purses for live
2635 races conducted during its current race meet a percentage of its
2636 live handle not less than the percentage determined under this
2637 paragraph, exclusive of payments made by outside sources, for its
2638 1993-1994 state fiscal year.

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2639 (b) Except as otherwise set forth herein, in addition to
2640 the minimum purse percentage required by paragraph (a), each
2641 permitholder shall pay as purses an annual amount equal to 75
2642 percent of the daily license fees paid by each permitholder for
2643 the 1994-1995 fiscal year. This purse supplement shall be
2644 disbursed weekly during the permitholder's race meet in an amount
2645 determined by dividing the annual purse supplement by the number
2646 of performances approved for the permitholder pursuant to its
2647 annual license and multiplying that amount by the number of
2648 performances conducted each week. For the greyhound permitholders
2649 in the county where there are two greyhound permitholders located
2650 as specified in s. 550.615(6), such permitholders shall pay in
2651 the aggregate an amount equal to 75 percent of the daily license
2652 fees paid by such permitholders for the 1994-1995 fiscal year.
2653 These permitholders shall be jointly and severally liable for
2654 such purse payments. The additional purses provided by this
2655 paragraph must be used exclusively for purses other than stakes.
2656 The bureau ~~division~~ shall conduct audits necessary to ensure
2657 compliance with this section.

2658 (c)1. Each greyhound permitholder when conducting at least
2659 three live performances during any week shall pay purses in that
2660 week on wagers it accepts as a guest track on intertrack and
2661 simulcast greyhound races at the same rate as it pays on live
2662 races. Each greyhound permitholder when conducting at least three
2663 live performances during any week shall pay purses in that week,
2664 at the same rate as it pays on live races, on wagers accepted on
2665 greyhound races at a guest track which is not conducting live
2666 racing and is located within the same market area as the

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2667 | greyhound permitholder conducting at least three live
2668 | performances during any week.

2669 | 2. Each host greyhound permitholder shall pay purses on its
2670 | simulcast and intertrack broadcasts of greyhound races to guest
2671 | facilities that are located outside its market area in an amount
2672 | equal to one quarter of an amount determined by subtracting the
2673 | transmission costs of sending the simulcast or intertrack
2674 | broadcasts from an amount determined by adding the fees received
2675 | for greyhound simulcast races plus 3 percent of the greyhound
2676 | intertrack handle at guest facilities that are located outside
2677 | the market area of the host and that paid contractual fees to the
2678 | host for such broadcasts of greyhound races.

2679 | (d) The bureau ~~division~~ shall require sufficient
2680 | documentation from each greyhound permitholder regarding purses
2681 | paid on live racing to assure that the annual purse percentage
2682 | rates paid by each permitholder on the live races are not reduced
2683 | below those paid during the 1993-1994 state fiscal year. The
2684 | bureau ~~division~~ shall require sufficient documentation from each
2685 | greyhound permitholder to assure that the purses paid by each
2686 | permitholder on the greyhound intertrack and simulcast broadcasts
2687 | are in compliance with the requirements of paragraph (c).

2688 | (e) In addition to the purse requirements of paragraphs
2689 | (a)-(c), each greyhound permitholder shall pay as purses an
2690 | amount equal to one-third of the amount of the tax reduction on
2691 | live and simulcast handle applicable to such permitholder as a
2692 | result of the reductions in tax rates provided by this act
2693 | through the amendments to s. 550.0951(3). With respect to
2694 | intertrack wagering when the host and guest tracks are greyhound
2695 | permitholders not within the same market area, an amount equal to

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2696 the tax reduction applicable to the guest track handle as a
2697 result of the reduction in tax rate provided by this act through
2698 the amendment to s. 550.0951(3) shall be distributed to the guest
2699 track, one-third of which amount shall be paid as purses at the
2700 guest track. However, if the guest track is a greyhound
2701 permitholder within the market area of the host or if the guest
2702 track is not a greyhound permitholder, an amount equal to such
2703 tax reduction applicable to the guest track handle shall be
2704 retained by the host track, one-third of which amount shall be
2705 paid as purses at the host track. These purse funds shall be
2706 disbursed in the week received if the permitholder conducts at
2707 least one live performance during that week. If the permitholder
2708 does not conduct at least one live performance during the week in
2709 which the purse funds are received, the purse funds shall be
2710 disbursed weekly during the permitholder's next race meet in an
2711 amount determined by dividing the purse amount by the number of
2712 performances approved for the permitholder pursuant to its annual
2713 license, and multiplying that amount by the number of
2714 performances conducted each week. The bureau ~~division~~ shall
2715 conduct audits necessary to ensure compliance with this
2716 paragraph.

2717 (f) Each greyhound permitholder shall, during the
2718 permitholder's race meet, supply kennel operators and the Bureau
2719 ~~Division~~ of Pari-Mutuel Wagering with a weekly report showing
2720 purses paid on live greyhound races and all greyhound intertrack
2721 and simulcast broadcasts, including both as a guest and a host
2722 together with the handle or commission calculations on which such
2723 purses were paid and the transmission costs of sending the

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2724 simulcast or intertrack broadcasts, so that the kennel operators
2725 may determine statutory and contractual compliance.

2726 (g) Each greyhound permitholder shall make direct payment
2727 of purses to the greyhound owners who have filed with such
2728 permitholder appropriate federal taxpayer identification
2729 information based on the percentage amount agreed upon between
2730 the kennel operator and the greyhound owner.

2731 (h) At the request of a majority of kennel operators under
2732 contract with a greyhound permitholder, the permitholder shall
2733 make deductions from purses paid to each kennel operator electing
2734 such deduction and shall make a direct payment of such deductions
2735 to the local association of greyhound kennel operators formed by
2736 a majority of kennel operators under contract with the
2737 permitholder. The amount of the deduction shall be at least 1
2738 percent of purses, as determined by the local association of
2739 greyhound kennel operators. No deductions may be taken pursuant
2740 to this paragraph without a kennel operator's specific approval
2741 before or after the effective date of this act.

2742 Section 49. Paragraph (b) of subsection (3) of section
2743 550.09515, Florida Statutes, is amended to read:

2744 550.09515 Thoroughbred horse taxes; abandoned interest in a
2745 permit for nonpayment of taxes.--

2746 (3)

2747 (b) In order to maximize the tax revenues to the state, the
2748 bureau ~~division~~ shall reissue an escheated thoroughbred horse
2749 permit to a qualified applicant pursuant to the provisions of
2750 this chapter as for the issuance of an initial permit. However,
2751 the provisions of this chapter relating to referendum
2752 requirements for a pari-mutuel permit do ~~shall~~ not apply to the

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2753 reissuance of an escheated thoroughbred horse permit. As
2754 specified in the application and upon approval by the bureau
2755 ~~division~~ of an application for the permit, the new permitholder
2756 shall be authorized to operate a thoroughbred horse facility
2757 anywhere in the same county in which the escheated permit was
2758 authorized to be operated, notwithstanding the provisions of s.
2759 550.054(2) relating to mileage limitations.

2760 Section 50. Subsection (1), paragraph (b) of subsection
2761 (2), and subsections (5), (6), (7), (8), and (10) of section
2762 550.105, Florida Statutes, are amended to read:

2763 550.105 Occupational licenses of racetrack employees; fees;
2764 denial, suspension, and revocation of license; penalties and
2765 fines.--

2766 (1) Each person connected with a racetrack or jai alai
2767 fronton, as specified in paragraph (2)(a), shall purchase from
2768 the bureau ~~division~~ an annual occupational license, which license
2769 is valid from May 1 until June 30 of the following year. All
2770 moneys collected pursuant to this section each fiscal year shall
2771 be deposited into the Pari-mutuel Wagering Trust Fund. Any person
2772 may, at her or his option and pursuant to the rules adopted by
2773 the bureau ~~division~~, purchase an occupational license valid for a
2774 period of 3 years if the purchaser of the license pays the full
2775 occupational license fee for each of the years for which the
2776 license is purchased at the time the 3-year license is requested.
2777 The occupational license shall be valid during its specified term
2778 at any pari-mutuel facility.

2779 (2)

2780 (b) The bureau ~~division~~ shall adopt rules pertaining to
2781 pari-mutuel occupational licenses.

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2782 (5) (a) The bureau ~~division~~ may:
2783 1. Deny a license to or revoke, suspend, or place
2784 conditions upon or restrictions on a license of any person who
2785 has been refused a license by any other state racing commission
2786 or racing authority;

2787 2. Deny, suspend, or place conditions on a license of any
2788 person who is under suspension or has unpaid fines in another
2789 jurisdiction;

2790
2791 if the state racing commission or racing authority of such other
2792 state or jurisdiction extends to the bureau ~~division~~ reciprocal
2793 courtesy to maintain the disciplinary control.

2794 (b) The bureau ~~division~~ may deny, suspend, revoke, or
2795 declare ineligible any occupational license if the applicant for
2796 or holder thereof has violated the provisions of this chapter or
2797 the rules of the bureau ~~division~~ governing the conduct of persons
2798 connected with racetracks and frontons. In addition, the bureau
2799 ~~division~~ may deny, suspend, revoke, or declare ineligible any
2800 occupational license if the applicant for such license has been
2801 convicted in this state, in any other state, or under the laws of
2802 the United States of a capital felony, a felony, or an offense in
2803 any other state which would be a felony under the laws of this
2804 state involving arson; trafficking in, conspiracy to traffic in,
2805 smuggling, importing, conspiracy to smuggle or import, or
2806 delivery, sale, or distribution of a controlled substance; or a
2807 crime involving a lack of good moral character, or has had a
2808 pari-mutuel license revoked by this state or any other
2809 jurisdiction for an offense related to pari-mutuel wagering.

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2810 (c) The bureau ~~division~~ may deny, declare ineligible, or
2811 revoke any occupational license if the applicant for such license
2812 has been convicted of a felony or misdemeanor in this state, in
2813 any other state, or under the laws of the United States, if such
2814 felony or misdemeanor is related to gambling or bookmaking, as
2815 contemplated in s. 849.25, or involves cruelty to animals. If the
2816 applicant establishes that she or he is of good moral character,
2817 that she or he has been rehabilitated, and that the crime she or
2818 he was convicted of is not related to pari-mutuel wagering and is
2819 not a capital offense, the restrictions excluding offenders may
2820 be waived by the director of the bureau ~~division~~.

2821 (d) If an occupational license will expire by bureau
2822 ~~division~~ rule during the period of a suspension the bureau
2823 ~~division~~ intends to impose, or if a license would have expired
2824 but for pending administrative charges and the occupational
2825 licensee is found to be in violation of any of the charges, the
2826 license may be revoked and a time period of license ineligibility
2827 may be declared. The bureau ~~division~~ may bring administrative
2828 charges against any person not holding a current license for
2829 violations of statutes or rules which occurred while such person
2830 held an occupational license, and the bureau ~~division~~ may declare
2831 such person ineligible to hold a license for a period of time.
2832 The bureau ~~division~~ may impose a civil fine of up to \$1,000 for
2833 each violation of the rules of the bureau ~~division~~ in addition to
2834 or in lieu of any other penalty provided for in this section. In
2835 addition to any other penalty provided by law, the bureau
2836 ~~division~~ may exclude from all pari-mutuel facilities in this
2837 state, for a period not to exceed the period of suspension,
2838 revocation, or ineligibility, any person whose occupational

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2839 | license application has been denied by the bureau ~~division~~, who
2840 | has been declared ineligible to hold an occupational license, or
2841 | whose occupational license has been suspended or revoked by the
2842 | bureau ~~division~~.

2843 | (e) The bureau ~~division~~ may cancel any occupational license
2844 | that has been voluntarily relinquished by the licensee.

2845 | (6) In order to promote the orderly presentation of pari-
2846 | mutuel meets authorized in this chapter, the bureau ~~division~~ may
2847 | issue a temporary occupational license. The bureau ~~division~~ shall
2848 | adopt rules to implement this subsection. However, no temporary
2849 | occupational license shall be valid for more than 30 days, and no
2850 | more than one temporary license may be issued for any person in
2851 | any year.

2852 | (7) The bureau ~~division~~ may deny, revoke, or suspend any
2853 | occupational license if the applicant therefor or holder thereof
2854 | accumulates unpaid obligations or defaults in obligations, or
2855 | issues drafts or checks that are dishonored or for which payment
2856 | is refused without reasonable cause, if such unpaid obligations,
2857 | defaults, or dishonored or refused drafts or checks directly
2858 | relate to the sport of jai alai or racing being conducted at a
2859 | pari-mutuel facility within this state.

2860 | (8) The bureau ~~division~~ may fine, or suspend or revoke, or
2861 | place conditions upon, the license of any licensee who under oath
2862 | knowingly provides false information regarding an investigation
2863 | by the bureau ~~division~~.

2864 | (10) Upon application for an occupational license, the
2865 | bureau ~~division~~ may require the applicant's full legal name; any
2866 | nickname, alias, or maiden name for the applicant; name of the
2867 | applicant's spouse; the applicant's date of birth, residence

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2868 address, mailing address, residence address and business phone
2869 number, and social security number; disclosure of any felony or
2870 any conviction involving bookmaking, illegal gambling, or cruelty
2871 to animals; disclosure of any past or present enforcement or
2872 actions by any racing or gaming agency against the applicant; and
2873 any information the bureau ~~division~~ determines is necessary to
2874 establish the identity of the applicant or to establish that the
2875 applicant is of good moral character. Fingerprints shall be taken
2876 in a manner approved by the bureau ~~division~~ and then shall be
2877 submitted to the Federal Bureau of Investigation, or to the
2878 association of state officials regulating pari-mutuel wagering
2879 pursuant to the Federal Pari-mutuel Licensing Simplification Act
2880 of 1988. The cost of processing fingerprints shall be borne by
2881 the applicant and paid to the association of state officials
2882 regulating pari-mutuel wagering from the trust fund to which the
2883 processing fees are deposited. The bureau ~~division~~ shall require
2884 each applicant for an occupational license to have the
2885 applicant's signature witnessed and notarized or signed in the
2886 presence of a division official. The bureau ~~division~~, by rule,
2887 may require additional information from licensees which is
2888 reasonably necessary to regulate the industry. The bureau
2889 ~~division~~ may, by rule, exempt certain occupations or groups of
2890 persons from the fingerprinting requirements.

2891 Section 51. Subsection (1) of section 550.1155, Florida
2892 Statutes, is amended to read:

2893 550.1155 Authority of stewards, judges, panel of judges, or
2894 player's manager to impose penalties against occupational
2895 licensees; disposition of funds collected.--

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2896 (1) The stewards at a horse racetrack; the judges at a dog
2897 track; or the judges, a panel of judges, or a player's manager at
2898 a jai alai fronton may impose a civil penalty against any
2899 occupational licensee for violation of the pari-mutuel laws or
2900 any rule adopted by the bureau ~~division~~. The penalty may not
2901 exceed \$1,000 for each count or separate offense or exceed 60
2902 days of suspension for each count or separate offense.

2903 Section 52. Subsections (2) and (3) of section 550.125,
2904 Florida Statutes, are amended to read:

2905 550.125 Uniform reporting system; bond requirement.--

2906 (2) (a) Each permitholder that conducts race meetings or jai
2907 alai exhibitions under this chapter shall keep records that
2908 clearly show the total number of admissions and the total amount
2909 of money contributed to each pari-mutuel pool on each race or
2910 exhibition separately and the amount of money received daily from
2911 admission fees and, within 120 days after the end of its fiscal
2912 year, shall submit to the bureau ~~division~~ a complete annual
2913 report of its accounts, audited by a certified public accountant
2914 licensed to practice in the state.

2915 (b) The bureau ~~division~~ shall adopt rules specifying the
2916 form and content of such reports, including, but not limited to,
2917 requirements for a statement of assets and liabilities, operating
2918 revenues and expenses, and net worth, which statement must be
2919 audited by a certified public accountant licensed to practice in
2920 this state, and any supporting informational schedule found
2921 necessary by the bureau ~~division~~ to verify the foregoing
2922 financial statement, which informational schedule must be
2923 attested to under oath by the permitholder or an officer of
2924 record, to permit the bureau ~~division~~ to:

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2925 1. Assess the profitability and financial soundness of
2926 permitholders, both individually and as an industry;

2927 2. Plan and recommend measures necessary to preserve and
2928 protect the pari-mutuel revenues of the state; and

2929 3. Completely identify the holdings, transactions, and
2930 investments of permitholders with other business entities.

2931 (c) The Auditor General and the Office of Program Policy
2932 Analysis and Government Accountability may, pursuant to their own
2933 authority or at the direction of the Legislative Auditing
2934 Committee, audit, examine, and check the books and records of any
2935 permitholder. These audit reports shall become part of, and be
2936 maintained in, the bureau ~~division~~ files.

2937 (d) The bureau ~~division~~ shall annually review the books and
2938 records of each permitholder and verify that the breaks and
2939 unclaimed ticket payments made by each permitholder are true and
2940 correct.

2941 (3) (a) Each permitholder to which a license is granted
2942 under this chapter, at its own cost and expense, must, before the
2943 license is delivered, give a bond in the penal sum of \$50,000
2944 payable to the Governor of the state and her or his successors in
2945 office, with a surety or sureties to be approved by the bureau
2946 ~~division~~ and the Chief Financial Officer, conditioned to
2947 faithfully make the payments to the Chief Financial Officer in
2948 her or his capacity as treasurer of the bureau ~~division~~; to keep
2949 its books and records and make reports as provided; and to
2950 conduct its racing in conformity with this chapter. When the
2951 greatest amount of tax owed during any month in the prior state
2952 fiscal year, in which a full schedule of live racing was
2953 conducted, is less than \$50,000, the bureau ~~division~~ may assess a

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2954 | bond in a sum less than \$50,000. The bureau ~~division~~ may review
2955 | the bond for adequacy and require adjustments each fiscal year.
2956 | The bureau ~~may division has the authority to~~ adopt rules to
2957 | implement this paragraph and establish guidelines for such bonds.

2958 | (b) The provisions of this chapter concerning bonding do
2959 | not apply to nonwagering licenses issued pursuant to s. 550.505.

2960 | Section 53. Subsections (1) and (3) of section 550.135,
2961 | Florida Statutes, are amended to read:

2962 | 550.135 Division of moneys derived under this law.--All
2963 | moneys that are deposited with the Chief Financial Officer to the
2964 | credit of the Pari-mutuel Wagering Trust Fund shall be
2965 | distributed as follows:

2966 | (1) The daily license fee revenues collected pursuant to s.
2967 | 550.0951(1) shall be used to fund the operating cost of the
2968 | bureau ~~division~~ and to provide a proportionate share of the
2969 | operation of the commission, the office of the bureau chief, the
2970 | office of the division director, secretary and the Division of
2971 | Gambling Oversight Administration of the Department of Business
2972 | and Professional Regulation; however, other collections in the
2973 | Pari-mutuel Wagering Trust Fund may also be used to fund the
2974 | operation of the division in accordance with authorized
2975 | appropriations.

2976 | (3) The slot machine license fee, the slot machine
2977 | occupational license fee, and the compulsive or addictive
2978 | gambling prevention program fee collected pursuant to ss.
2979 | 551.106, 551.107(2)(a)1., and 551.118 shall be used to fund the
2980 | direct and indirect operating expenses of the Bureau of Slot
2981 | Machines and the Bureau of Compulsive Gambling ~~division's slot~~
2982 | ~~machine regulation operations~~ and to provide funding for relevant

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2983 enforcement activities in accordance with authorized
2984 appropriations. Funds deposited into the Pari-mutuel Wagering
2985 Trust Fund pursuant to ss. 551.106, 551.107(2)(a)1., and 551.118
2986 shall be reserved in the trust fund for slot machine regulation
2987 operations within the Bureau of Slot Machines. On June 30, any
2988 unappropriated funds in excess of those necessary for incurred
2989 obligations and subsequent year cash flow for slot machine
2990 regulation operations shall be deposited with the Chief Financial
2991 Officer to the credit of the General Revenue Fund.

2992 Section 54. Subsection (1) of section 550.155, Florida
2993 Statutes, is amended to read:

2994 550.155 Pari-mutuel pool within track enclosure; takeouts;
2995 breaks; penalty for purchasing part of a pari-mutuel pool for or
2996 through another in specified circumstances.--

2997 (1) Wagering on the results of a horserace, dograce, or on
2998 the scores or points of a jai alai game and the sale of tickets
2999 or other evidences showing an interest in or a contribution to a
3000 pari-mutuel pool are allowed within the enclosure of any pari-
3001 mutuel facility licensed and conducted under this chapter but are
3002 not allowed elsewhere in this state, must be supervised by the
3003 bureau ~~division~~, and are subject to such reasonable rules that
3004 the bureau ~~division~~ prescribes.

3005 Section 55. Subsection (2) and paragraph (a) of subsection
3006 (3) of section 550.1648, Florida Statutes, are amended to read:

3007 550.1648 Greyhound adoptions.--

3008 (2) In addition to the charity days authorized under s.
3009 550.0351, a greyhound permitholder may fund the greyhound
3010 adoption program by holding a charity racing day designated as
3011 "Greyhound Adopt-A-Pet Day." All profits derived from the

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3012 operation of the charity day must be placed into a fund used to
3013 support activities at the racing facility which promote the
3014 adoption of greyhounds. The bureau ~~division~~ may adopt rules for
3015 administering the fund. Proceeds from the charity day authorized
3016 in this subsection may not be used as a source of funds for the
3017 purposes set forth in s. 550.1647.

3018 (3) (a) Upon a violation of this section by a permitholder
3019 or licensee, the bureau ~~division~~ may impose a penalty as provided
3020 in s. 550.0251(10) and require the permitholder to take
3021 corrective action.

3022 Section 56. Section 550.175, Florida Statutes, is amended
3023 to read:

3024 550.175 Petition for election to revoke permit.--Upon
3025 petition of 20 percent of the qualified electors of any county
3026 wherein any racing has been licensed and conducted under this
3027 chapter, the county commissioners of such county shall provide
3028 for the submission to the electors of such county at the then
3029 next succeeding general election the question of whether any
3030 permit or permits theretofore granted shall be continued or
3031 revoked, and if a majority of the electors voting on such
3032 question in such election vote to cancel or recall the permit
3033 theretofore given, the bureau ~~division~~ may not thereafter grant
3034 any license on the permit so recalled. Every signature upon every
3035 recall petition must be signed in the presence of the clerk of
3036 the board of county commissioners at the office of the clerk of
3037 the circuit court of the county, and the petitioner must present
3038 at the time of such signing her or his registration receipt
3039 showing the petitioner's qualification as an elector of the
3040 county at the time of the signing of the petition. Not more than

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3041 one permit may be included in any one petition; and, in all
3042 elections in which the recall of more than one permit is voted
3043 on, the voters shall be given an opportunity to vote for or
3044 against the recall of each permit separately. ~~Nothing in This~~
3045 chapter does not ~~shall be construed to~~ prevent the holding of
3046 later referendum or recall elections.

3047 Section 57. Subsections (1), (3), and (5) of section
3048 550.1815, Florida Statutes, are amended to read:

3049 550.1815 Certain persons prohibited from holding racing or
3050 jai alai permits; suspension and revocation.--

3051 (1) A corporation, general or limited partnership, sole
3052 proprietorship, business trust, joint venture, or unincorporated
3053 association, or other business entity may not hold any
3054 horseracing or dogracing permit or jai alai fronton permit in
3055 this state if any one of the persons or entities specified in
3056 paragraph (a) has been determined by the bureau ~~division~~ not to
3057 be of good moral character or has been convicted of any offense
3058 specified in paragraph (b).

3059 (a)1. The permitholder;

3060 2. An employee of the permitholder;

3061 3. The sole proprietor of the permitholder;

3062 4. A corporate officer or director of the permitholder;

3063 5. A general partner of the permitholder;

3064 6. A trustee of the permitholder;

3065 7. A member of an unincorporated association permitholder;

3066 8. A joint venturer of the permitholder;

3067 9. The owner of more than 5 percent of any equity interest
3068 in the permitholder, whether as a common shareholder, general or
3069 limited partner, voting trustee, or trust beneficiary; or

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3070 | 10. An owner of any interest in the permit or permit holder,
3071 | including any immediate family member of the owner, or holder of
3072 | any debt, mortgage, contract, or concession from the
3073 | permit holder, who by virtue thereof is able to control the
3074 | business of the permit holder.

3075 | (b)1. A felony in this state;

3076 | 2. Any felony in any other state which would be a felony if
3077 | committed in this state under the laws of this state;

3078 | 3. Any felony under the laws of the United States;

3079 | 4. A felony under the laws of another state if related to
3080 | gambling which would be a felony under the laws of this state if
3081 | committed in this state; or

3082 | 5. Bookmaking as defined in s. 849.25.

3083 | (3) After notice and hearing, the bureau ~~division~~ shall
3084 | refuse to issue or renew or shall suspend, as appropriate, any
3085 | permit found in violation of subsection (1). The order shall
3086 | become effective 120 days after service of the order upon the
3087 | permit holder and shall be amended to constitute a final order of
3088 | revocation unless the permit holder has, within that period of
3089 | time, either caused the divestiture, or agreed with the convicted
3090 | person upon a complete immediate divestiture, of her or his
3091 | holding, or has petitioned the circuit court as provided in
3092 | subsection (4) or, in the case of corporate officers or directors
3093 | of the holder or employees of the holder, has terminated the
3094 | relationship between the permit holder and those persons
3095 | mentioned. The bureau ~~division~~ may, by order, extend the 120-day
3096 | period for divestiture, upon good cause shown, to avoid
3097 | interruption of any jai alai or race meeting or to otherwise
3098 | effectuate this section. If no action has been taken by the

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3099 | permitholder within the 120-day period following the issuance of
3100 | the order of suspension, the bureau ~~division~~ shall, without
3101 | further notice or hearing, enter a final order of revocation of
3102 | the permit. When any permitholder or sole proprietor of a
3103 | permitholder is convicted of an offense specified in paragraph
3104 | (1) (b), the bureau ~~department~~ may approve a transfer of the
3105 | permit to a qualified applicant, upon a finding that revocation
3106 | of the permit would impair the state's revenue from the operation
3107 | of the permit or otherwise be detrimental to the interests of the
3108 | state in the regulation of the industry of pari-mutuel wagering.
3109 | In such approval, a ~~no~~ public referendum is not required,
3110 | notwithstanding any other provision of law. A petition for
3111 | transfer after conviction must be filed with the bureau
3112 | ~~department~~ within 30 days after service upon the permitholder of
3113 | the final order of revocation. The timely filing of such a
3114 | petition automatically stays any revocation order until further
3115 | order of the bureau ~~department~~.

3116 | (5) The bureau ~~division~~ shall make such rules for the
3117 | photographing, fingerprinting, and obtaining of personal data of
3118 | individuals described in paragraph (1) (a) and the obtaining of
3119 | such data regarding the business entities described in paragraph
3120 | (1) (a) as is necessary to effectuate the provisions of this
3121 | section.

3122 | Section 58. Section 550.24055, Florida Statutes, is amended
3123 | to read:

3124 | 550.24055 Use of controlled substances or alcohol
3125 | prohibited; testing of certain occupational licensees; penalty;
3126 | evidence of test or action taken and admissibility for criminal
3127 | prosecution limited.--

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3128 (1) The use of a controlled substance as defined in chapter
3129 893 or of alcohol by any occupational licensees officiating at or
3130 participating in a race or jai alai game is prohibited.

3131 (2) The occupational licensees, by applying for and holding
3132 such licenses, are deemed to have given their consents to submit
3133 to an approved chemical test of their breath for the purpose of
3134 determining the alcoholic content of their blood and to a urine
3135 or blood test for the purpose of detecting the presence of
3136 controlled substances. Such tests shall only be conducted upon
3137 reasonable cause that a violation has occurred as shall be
3138 determined solely by the stewards at a horseracing meeting or the
3139 judges or board of judges at a dogtrack or jai alai meet. The
3140 failure to submit to such test may result in a suspension of the
3141 person's occupational license for a period of 10 days or until
3142 this section has been complied with, whichever is longer.

3143 (a) If there was at the time of the test 0.05 percent or
3144 less by weight of alcohol in the person's blood, the person is
3145 presumed not to have been under the influence of alcoholic
3146 beverages to the extent that the person's normal faculties were
3147 impaired, and no action of any sort may be taken by the stewards,
3148 judges, or board of judges or the bureau ~~division~~.

3149 (b) If there was at the time of the test an excess of 0.05
3150 percent but less than 0.08 percent by weight of alcohol in the
3151 person's blood, that fact does not give rise to any presumption
3152 that the person was or was not under the influence of alcoholic
3153 beverages to the extent that the person's faculties were
3154 impaired, but the stewards, judges, or board of judges may
3155 consider that fact in determining whether or not the person will

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3156 be allowed to officiate or participate in any given race or jai
3157 alai game.

3158 (c) If there was at the time of the test 0.08 percent or
3159 more by weight of alcohol in the person's blood, that fact is
3160 prima facie evidence that the person was under the influence of
3161 alcoholic beverages to the extent that the person's normal
3162 faculties were impaired, and the stewards or judges may take
3163 action as set forth in this section, but the person may not
3164 officiate at or participate in any race or jai alai game on the
3165 day of such test.

3166

3167 All tests relating to alcohol must be performed in a manner
3168 substantially similar, or identical, to the provisions of s.
3169 316.1934 and rules adopted pursuant to that section. Following a
3170 test of the urine or blood to determine the presence of a
3171 controlled substance as defined in chapter 893, if a controlled
3172 substance is found to exist, the stewards, judges, or board of
3173 judges may take such action as is permitted in this section.

3174 (3) A violation of subsection (2) is subject to the
3175 following penalties:

3176 (a) For the first violation, the stewards, judges, or board
3177 of judges may suspend a licensee for up to 10 days or in the
3178 alternative may impose a civil fine of up to \$500 in lieu of a
3179 suspension.

3180 (b) For a second violation within 1 year after the first
3181 violation the stewards, judges, or board of judges may suspend a
3182 licensee for up to 30 days and in addition to or in lieu of
3183 suspension may impose a civil fine of up to \$2,000.

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3185 In lieu of or in addition to the foregoing penalties, the
3186 stewards, judges, or board of judges may require the licensee to
3187 participate in a drug or alcohol rehabilitation program and to be
3188 retested.

3189 (c) If the second violation occurred within 1 year after
3190 the first violation, then upon the finding of a third violation
3191 of this section within 1 year after the second violation, the
3192 stewards, judges, or board of judges may suspend the licensee for
3193 up to 120 days; and the stewards, judges, or board of judges
3194 shall forward the results of the tests under paragraphs (a) and
3195 (b) and this violation to the bureau ~~division~~. In addition to the
3196 action taken by the stewards, judges, or board of judges, the
3197 bureau ~~division~~, after a hearing, may deny, suspend, or revoke
3198 the occupational license of the licensee and may impose a civil
3199 penalty of up to \$5,000 in addition to, or in lieu of, a
3200 suspension or revocation, it being the intent of the Legislature
3201 that the bureau ~~division~~ shall have no authority over the
3202 enforcement of this section until a licensee has committed the
3203 third violation within 2 years after the first violation.

3204 (4) Section 120.80(18) applies ~~The provisions of s.~~
3205 ~~120.80(4)(a) apply~~ to all actions taken by the stewards, judges,
3206 or board of judges pursuant to this section without regard to the
3207 limitation contained therein.

3208 (5) This section does not apply to the possession and use
3209 of controlled or chemical substances that are prescribed as part
3210 of the care and treatment of a disease or injury by a
3211 practitioner licensed under chapter 458, chapter 459, part I of
3212 chapter 464, or chapter 466.

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3213 (6) Evidence of any test or actions taken by the stewards,
3214 judges, or board of judges or the bureau ~~division~~ under this
3215 section is inadmissible for any purpose in any court for criminal
3216 prosecution, it being the intent of the Legislature to provide a
3217 method and means by which the health, safety, and welfare of
3218 those officiating at or participating in a race meet or a jai
3219 alai game are sufficiently protected. However, this subsection
3220 does not prohibit any person so authorized from pursuing an
3221 independent investigation as a result of a ruling made by the
3222 stewards, judges, or board of judges, or the bureau ~~division~~.

3223 Section 59. Section 550.2415, Florida Statutes, is amended
3224 to read:

3225 550.2415 Racing of animals under certain conditions
3226 prohibited; penalties; exceptions.--

3227 (1)(a) The racing of an animal with any drug, medication,
3228 stimulant, depressant, hypnotic, narcotic, local anesthetic, or
3229 drug-masking agent is prohibited. It is a violation of this
3230 section for a person to administer or cause to be administered
3231 any drug, medication, stimulant, depressant, hypnotic, narcotic,
3232 local anesthetic, or drug-masking agent to an animal which will
3233 result in a positive test for such substance based on samples
3234 taken from the animal immediately prior to or immediately after
3235 the racing of that animal. Test results and the identities of the
3236 animals being tested and of their trainers and owners of record
3237 are confidential and exempt from s. 119.07(1) and from s. 24(a),
3238 Art. I of the State Constitution for 10 days after testing of all
3239 samples collected on a particular day has been completed and any
3240 positive test results derived from such samples have been

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3241 reported to the director of the bureau ~~division~~ or administrative
3242 action has been commenced.

3243 (b) It is a violation of this section for a race-day
3244 specimen to contain a level of a naturally occurring substance
3245 which exceeds normal physiological concentrations. The bureau
3246 ~~division~~ may adopt rules that specify normal physiological
3247 concentrations of naturally occurring substances in the natural
3248 untreated animal and rules that specify acceptable levels of
3249 environmental contaminants and trace levels of substances in test
3250 samples.

3251 (c) The finding of a prohibited substance in a race-day
3252 specimen constitutes prima facie evidence that the substance was
3253 administered and was carried in the body of the animal while
3254 participating in the race.

3255 (2) Administrative action may be taken by the bureau
3256 ~~division~~ against an occupational licensee responsible pursuant to
3257 rule of the bureau ~~division~~ for the condition of an animal that
3258 has been impermissibly medicated or drugged in violation of this
3259 section.

3260 (3) (a) Upon the finding of a violation of this section, the
3261 bureau ~~division~~ may revoke or suspend the license or permit of
3262 the violator or deny a license or permit to the violator; impose
3263 a fine against the violator in an amount not exceeding \$5,000;
3264 require the full or partial return of the purse, sweepstakes, and
3265 trophy of the race at issue; or impose against the violator any
3266 combination of such penalties. The finding of a violation of this
3267 section in no way prohibits a prosecution for criminal acts
3268 committed.

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3269 (b) The bureau ~~division~~, notwithstanding the provisions of
3270 chapter 120, may summarily suspend the license of an occupational
3271 licensee responsible under this section or bureau ~~division~~ rule
3272 for the condition of a race animal if the bureau ~~division~~
3273 laboratory reports the presence of an impermissible substance in
3274 the animal or its blood, urine, saliva, or any other bodily
3275 fluid, either before a race in which the animal is entered or
3276 after a race the animal has run.

3277 (c) If an occupational licensee is summarily suspended
3278 under this section, the bureau ~~division~~ shall offer the licensee
3279 a prompt postsuspension hearing within 72 hours, at which the
3280 bureau ~~division~~ shall produce the laboratory report and
3281 documentation which, on its face, establishes the responsibility
3282 of the occupational licensee. Upon production of the
3283 documentation, the occupational licensee has the burden of
3284 proving his or her lack of responsibility.

3285 (d) Any proceeding for administrative action against a
3286 licensee or permittee, other than a proceeding under paragraph
3287 (c), shall be conducted in compliance with chapter 120.

3288 (4) A prosecution pursuant to this section for a violation
3289 of this section must be commenced within 2 years after the
3290 violation was committed. Service of an administrative complaint
3291 marks the commencement of administrative action.

3292 (5) The bureau ~~division~~ shall implement a split-sample
3293 procedure for testing animals under this section.

3294 (a) Upon finding a positive drug test result, the
3295 department shall notify the owner or trainer of the results. The
3296 owner may request that each urine and blood sample be split into
3297 a primary sample and a secondary (split) sample. Such splitting

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3298 must be accomplished in the laboratory under rules approved by
3299 the bureau ~~division~~. Custody of both samples must remain with the
3300 bureau ~~division~~. However, upon request by the affected trainer or
3301 owner of the animal from which the sample was obtained, the
3302 bureau ~~division~~ shall send the split sample to an approved
3303 independent laboratory for analysis. The bureau ~~division~~ shall
3304 establish standards and rules for uniform enforcement and shall
3305 maintain a list of at least five approved independent
3306 laboratories for an owner or trainer to select from in the event
3307 of a positive test sample.

3308 (b) If the state laboratory's findings are not confirmed by
3309 the independent laboratory, no further administrative or
3310 disciplinary action under this section may be pursued. The bureau
3311 ~~division~~ may adopt rules identifying substances that diminish in
3312 a blood or urine sample due to passage of time and that must be
3313 taken into account in applying this section.

3314 (c) If the independent laboratory confirms the state
3315 laboratory's positive result, or if there is an insufficient
3316 quantity of the secondary (split) sample for confirmation of the
3317 state laboratory's positive result, the bureau ~~division~~ may
3318 commence administrative proceedings as prescribed in this chapter
3319 and consistent with chapter 120. For purposes of this subsection,
3320 the department shall in good faith attempt to obtain a sufficient
3321 quantity of the test fluid to allow both a primary test and a
3322 secondary test to be made.

3323 (6) (a) It is the intent of the Legislature that animals
3324 that participate in races in this state on which pari-mutuel
3325 wagering is conducted and animals that are bred and trained in

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3326 | this state for racing be treated humanely, both on and off
3327 | racetracks, throughout the lives of the animals.

3328 | (b) The bureau ~~division~~ shall, by rule, establish the
3329 | procedures for euthanizing greyhounds. However, a greyhound may
3330 | not be put to death by any means other than by lethal injection
3331 | of the drug sodium pentobarbital. A greyhound may not be removed
3332 | from this state for the purpose of being destroyed.

3333 | (c) It is a violation of this chapter for an occupational
3334 | licensee to train a greyhound using live or dead animals. A
3335 | greyhound may not be taken from this state for the purpose of
3336 | being trained through the use of live or dead animals.

3337 | (d) A conviction of cruelty to animals pursuant to s.
3338 | 828.12 involving a racing animal constitutes a violation of this
3339 | chapter.

3340 | (7) All moneys recovered for violations of this section
3341 | shall be kept in a separate fund to be deposited into the Pari-
3342 | mutuel Wagering Trust Fund and shall be used for research
3343 | relating to the medication of racing animals. Such recovered
3344 | moneys shall be supervised and used by the bureau ~~division~~ to
3345 | contract with a reputable college or school of veterinary
3346 | medicine or its designee in accordance with this subsection.

3347 | (8) Under no circumstances may any medication be
3348 | administered closer than 24 hours prior to the officially
3349 | scheduled post time of a race except as provided for in this
3350 | section.

3351 | (a) The bureau ~~division~~ shall adopt rules setting
3352 | conditions for the use of furosemide to treat exercise-induced
3353 | pulmonary hemorrhage.

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3354 (b) The bureau ~~division~~ shall adopt rules setting
3355 conditions for the use of prednisolone sodium succinate, but
3356 under no circumstances may furosemide or prednisolone sodium
3357 succinate be administered closer than 4 hours prior to the
3358 officially scheduled post time for the race.

3359 (c) The bureau ~~division~~ shall adopt rules setting
3360 conditions for the use of phenylbutazone and synthetic
3361 corticosteroids; in no case, except as provided in paragraph (b),
3362 shall these substances be given closer than 24 hours prior to the
3363 officially scheduled post time of a race. Oral corticosteroids
3364 are prohibited except when prescribed by a licensed veterinarian
3365 and reported to the bureau ~~division~~ on forms prescribed by the
3366 bureau ~~division~~.

3367 (d) ~~Nothing in~~ This section does not ~~shall be interpreted~~
3368 ~~to~~ prohibit the use of vitamins, minerals, or naturally occurring
3369 substances so long as none exceeds the normal physiological
3370 concentration in a race day specimen.

3371 (e) The bureau ~~division~~ may, by rule, establish acceptable
3372 levels of permitted medications and shall select the appropriate
3373 biological specimens by which the administration of permitted
3374 medication is monitored.

3375 (9) (a) Under no circumstances may any medication be
3376 administered within 24 hours before the officially scheduled post
3377 time of the race except as provided in this section.

3378 (b) As an exception to this section, if the bureau ~~division~~
3379 first determines that the use of furosemide, phenylbutazone, or
3380 prednisolone sodium succinate in horses is in the best interest
3381 of racing, the bureau ~~division~~ may adopt rules allowing such use.
3382 Any rules allowing the use of furosemide, phenylbutazone, or

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3383 prednisolone sodium succinate in racing must set the conditions
3384 for such use. Under no circumstances may a rule be adopted which
3385 allows the administration of furosemide or prednisolone sodium
3386 succinate within 4 hours before the officially scheduled post
3387 time for the race. Under no circumstances may a rule be adopted
3388 which allows the administration of phenylbutazone or any other
3389 synthetic corticosteroid within 24 hours before the officially
3390 scheduled post time for the race. Any administration of synthetic
3391 corticosteroids is limited to parenteral routes. Oral
3392 administration of synthetic corticosteroids is expressly
3393 prohibited. If this paragraph is unconstitutional, it is
3394 severable from the remainder of this section.

3395 (c) The bureau ~~division~~ shall, by rule, establish
3396 acceptable levels of permitted medications and shall select the
3397 appropriate biological specimen by which the administration of
3398 permitted medications is monitored.

3399 (10) (a) The bureau ~~division~~ may conduct a postmortem
3400 examination of any animal that is injured at a permitted
3401 racetrack while in training or in competition and that
3402 subsequently expires or is destroyed. The bureau ~~division~~ may
3403 conduct a postmortem examination of any animal that expires while
3404 housed at a permitted racetrack, association compound, or
3405 licensed kennel or farm. Trainers and owners shall be requested
3406 to comply with this paragraph as a condition of licensure.

3407 (b) The bureau ~~division~~ may take possession of the animal
3408 upon death for postmortem examination. The bureau ~~division~~ may
3409 submit blood, urine, other bodily fluid specimens, or other
3410 tissue specimens collected during a postmortem examination for
3411 testing by the bureau ~~division~~ laboratory or its designee. Upon

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3412 completion of the postmortem examination, the carcass must be
3413 returned to the owner or disposed of at the owner's option.

3414 (11) The presence of a prohibited substance in an animal,
3415 found by the bureau ~~division~~ laboratory in a bodily fluid
3416 specimen collected during the postmortem examination of the
3417 animal, which breaks down during a race constitutes a violation
3418 of this section.

3419 (12) The cost of postmortem examinations, testing, and
3420 disposal must be borne by the bureau ~~division~~.

3421 (13) The bureau ~~division~~ shall adopt rules to implement
3422 this section. The rules may include a classification system for
3423 prohibited substances and a corresponding penalty schedule for
3424 violations.

3425 (14) Except as specifically modified by statute or by rules
3426 of the bureau ~~division~~, the Uniform Classification Guidelines for
3427 Foreign Substances, revised February 14, 1995, as promulgated by
3428 the Association of Racing Commissioners International, Inc., is
3429 hereby adopted by reference as the uniform classification system
3430 for class IV and V medications.

3431 (15) The bureau ~~division~~ shall utilize only the thin layer
3432 chromatography (TLC) screening process to test for the presence
3433 of class IV and V medications in samples taken from racehorses
3434 except when thresholds of a class IV or class V medication have
3435 been established and are enforced by rule. Once a sample has been
3436 identified as suspicious for a class IV or class V medication by
3437 the TLC screening process, the sample will be sent for
3438 confirmation by and through additional testing methods. All other
3439 medications not classified by rule as a class IV or class V agent

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3440 shall be subject to all forms of testing available to the bureau
3441 ~~division~~.

3442 (16) The bureau ~~division~~ shall implement by rule medication
3443 levels finalized by the University of Florida developed pursuant
3444 to the Pharmacokinetic and Clearance Study Agreement by and
3445 between the Bureau of Florida Department of Business and
3446 Professional Regulation division of Pari-mutuel Wagering within
3447 the Division of Gambling Oversight of the Department of Gaming
3448 Control and the University of Florida College of Veterinary
3449 Medicine. Research on a drug level is finalized when the
3450 University of Florida College of Veterinary Medicine provides
3451 written notification to the bureau ~~division~~ that it has completed
3452 its research on a particular drug pursuant to the agreement and
3453 when the College of Veterinary Medicine provides a final report
3454 of its findings, conclusions, and recommendations to the bureau
3455 ~~division~~.

3456 (17) The testing medium for phenylbutazone in horses shall
3457 be serum, and the bureau ~~division~~ may collect up to six full 15-
3458 milliliter blood tubes for each horse being sampled.

3459 Section 60. Subsection (4) of section 550.2614, Florida
3460 Statutes, is amended to read:

3461 550.2614 Distribution of certain funds to a horsemen's
3462 association.--

3463 (4) The bureau ~~division~~ shall adopt rules to facilitate the
3464 orderly transfer of funds in accordance with this section. The
3465 bureau ~~division~~ shall also monitor the membership rolls of the
3466 horsemen's association to ensure that complete, accurate, and
3467 timely listings are maintained for the purposes specified in this
3468 section.

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3469 Section 61. Subsection (3) of section 550.26165, Florida
3470 Statutes, is amended to read:

3471 550.26165 Breeders' awards.--

3472 (3) Breeders' associations shall submit their plans to the
3473 bureau ~~division~~ at least 60 days before the beginning of the
3474 payment year. The payment year may be a calendar year or any 12-
3475 month period, but once established, the yearly base may not be
3476 changed except for compelling reasons. Once a plan is approved,
3477 the bureau ~~division~~ may not allow the plan to be amended during
3478 the year, except for the most compelling reasons.

3479 Section 62. Paragraphs (b) and (d) of subsection (2), and
3480 subsections (3), (4), (5), (7), and (8) of section 550.2625,
3481 Florida Statutes, are amended to read:

3482 550.2625 Horseracing; minimum purse requirement, Florida
3483 breeders' and owners' awards.--

3484 (2) Each permitholder conducting a horserace meet is
3485 required to pay from the takeout withheld on pari-mutuel pools a
3486 sum for purses in accordance with the type of race performed.

3487 (b)1. A permitholder conducting a harness horse race meet
3488 under this chapter must pay to the purse pool from the takeout
3489 withheld a purse requirement that totals an amount not less than
3490 8.25 percent of all contributions to pari-mutuel pools conducted
3491 during the race meet. An amount not less than 7.75 percent of the
3492 total handle shall be paid from this purse pool as purses.

3493 2. An amount not to exceed 0.5 percent of the total handle
3494 on all harness horse races that are subject to the purse
3495 requirement of subparagraph 1., must be available for use to
3496 provide medical, dental, surgical, life, funeral, or disability
3497 insurance benefits for occupational licensees who work at tracks

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3498 in this state at which harness horse races are conducted. Such
3499 insurance benefits must be paid from the purse pool specified in
3500 subparagraph 1. An annual plan for payment of insurance benefits
3501 from the purse pool, including qualifications for eligibility,
3502 must be submitted by the Florida Standardbred Breeders and Owners
3503 Association for approval to the bureau ~~division~~. An annual report
3504 of the implemented plan shall be submitted to the bureau
3505 ~~division~~. All records of the Florida Standardbred Breeders and
3506 Owners Association concerning the administration of the plan must
3507 be available for audit at the discretion of the bureau ~~division~~
3508 to determine that the plan has been implemented and administered
3509 as authorized. If the bureau ~~division~~ finds that the Florida
3510 Standardbred Breeders and Owners Association has not complied
3511 with the provisions of this section, the bureau ~~division~~ may
3512 order the association to cease and desist from administering the
3513 plan and shall appoint the bureau ~~division~~ as temporary
3514 administrator of the plan until the bureau ~~division~~ reestablishes
3515 administration of the plan with the association.

3516 (d) The bureau ~~division~~ shall adopt reasonable rules to
3517 ensure the timely and accurate payment of all amounts withheld by
3518 horserace permitholders regarding the distribution of purses,
3519 owners' awards, and other amounts collected for payment to owners
3520 and breeders. Each permitholder that fails to pay out all moneys
3521 collected for payment to owners and breeders shall, within 10
3522 days after the end of the meet during which the permitholder
3523 underpaid purses, deposit an amount equal to the underpayment
3524 into a separate interest-bearing account to be distributed to
3525 owners and breeders in accordance with bureau ~~division~~ rules.

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3526 (3) Each horseracing permitholder conducting any
3527 thoroughbred race under this chapter, including any intertrack
3528 race taken pursuant to ss. 550.615-550.6305 or any interstate
3529 simulcast taken pursuant to s. 550.3551(3) shall pay a sum equal
3530 to 0.955 percent on all pari-mutuel pools conducted during any
3531 such race for the payment of breeders', stallion, or special
3532 racing awards as authorized in this chapter. This subsection also
3533 applies to all Breeder's Cup races conducted outside this state
3534 taken pursuant to s. 550.3551(3). On any race originating live in
3535 this state which is broadcast out-of-state to any location at
3536 which wagers are accepted pursuant to s. 550.3551(2), the host
3537 track is required to pay 3.475 percent of the gross revenue
3538 derived from such out-of-state broadcasts as breeders', stallion,
3539 or special racing awards. The Florida Thoroughbred Breeders'
3540 Association may ~~is authorized to~~ receive these payments from the
3541 permitholders and make payments of awards earned. The Florida
3542 Thoroughbred Breeders' Association has the right to withhold up
3543 to 10 percent of the permitholder's payments under this section
3544 as a fee for administering the payments of awards and for general
3545 promotion of the industry. The permitholder shall remit these
3546 payments to the Florida Thoroughbred Breeders' Association by the
3547 5th day of each calendar month for such sums accruing during the
3548 preceding calendar month and shall report such payments to the
3549 bureau ~~division~~ as prescribed by the bureau ~~division~~. With the
3550 exception of the 10-percent fee, the moneys paid by the
3551 permitholders shall be maintained in a separate, interest-bearing
3552 account, and such payments together with any interest earned
3553 shall be used exclusively for the payment of breeders', stallion,

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3554 or special racing awards in accordance with the following
3555 provisions:

3556 (a) The breeder of each Florida-bred thoroughbred horse
3557 winning a thoroughbred horse race is entitled to an award of up
3558 to, but not exceeding, 20 percent of the announced gross purse,
3559 including nomination fees, eligibility fees, starting fees,
3560 supplementary fees, and moneys added by the sponsor of the race.

3561 (b) The owner or owners of the sire of a Florida-bred
3562 thoroughbred horse that wins a stakes race is entitled to a
3563 stallion award of up to, but not exceeding, 20 percent of the
3564 announced gross purse, including nomination fees, eligibility
3565 fees, starting fees, supplementary fees, and moneys added by the
3566 sponsor of the race.

3567 (c) The owners of thoroughbred horses participating in
3568 thoroughbred stakes races, nonstakes races, or both may receive a
3569 special racing award in accordance with the agreement established
3570 pursuant to s. 550.26165(1).

3571 (d) In order for a breeder of a Florida-bred thoroughbred
3572 horse to be eligible to receive a breeder's award, the horse must
3573 have been registered as a Florida-bred horse with the Florida
3574 Thoroughbred Breeders' Association, and the Jockey Club
3575 certificate for the horse must show that it has been duly
3576 registered as a Florida-bred horse as evidenced by the seal and
3577 proper serial number of the Florida Thoroughbred Breeders'
3578 Association registry. The Florida Thoroughbred Breeders'
3579 Association shall be permitted to charge the registrant a
3580 reasonable fee for this verification and registration.

3581 (e) In order for an owner of the sire of a thoroughbred
3582 horse winning a stakes race to be eligible to receive a stallion

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3583 | award, the stallion must have been registered with the Florida
3584 | Thoroughbred Breeders' Association, and the breeding of the
3585 | registered Florida-bred horse must have occurred in this state.
3586 | The stallion must be standing permanently in this state during
3587 | the period of time between February 1 and June 15 of each year
3588 | or, if the stallion is dead, must have stood permanently in this
3589 | state for a period of not less than 1 year immediately prior to
3590 | its death. The removal of a stallion from this state during the
3591 | period of time between February 1 and June 15 of any year for any
3592 | reason, other than exclusively for prescribed medical treatment,
3593 | as approved by the Florida Thoroughbred Breeders' Association,
3594 | renders the owner or owners of the stallion ineligible to receive
3595 | a stallion award under any circumstances for offspring sired
3596 | prior to removal; however, if a removed stallion is returned to
3597 | this state, all offspring sired subsequent to the return make the
3598 | owner or owners of the stallion eligible for the stallion award
3599 | but only for those offspring sired subsequent to such return to
3600 | this state. The Florida Thoroughbred Breeders' Association shall
3601 | maintain complete records showing the date the stallion arrived
3602 | in this state for the first time, whether or not the stallion
3603 | remained in the state permanently, the location of the stallion,
3604 | and whether the stallion is still standing in this state and
3605 | complete records showing awards earned, received, and
3606 | distributed. The association may charge the owner, owners, or
3607 | breeder a reasonable fee for this service.

3608 | (f) A permitholder conducting a thoroughbred horse race
3609 | under the provisions of this chapter shall, within 30 days after
3610 | the end of the race meet during which the race is conducted,
3611 | certify to the Florida Thoroughbred Breeders' Association such

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3612 information relating to the thoroughbred horses winning a stakes
3613 or other horserace at the meet as may be required to determine
3614 the eligibility for payment of breeders', stallion, and special
3615 racing awards.

3616 (g) The Florida Thoroughbred Breeders' Association shall
3617 maintain complete records showing the starters and winners in all
3618 races conducted at thoroughbred tracks in this state; shall
3619 maintain complete records showing awards earned, received, and
3620 distributed; and may charge the owner, owners, or breeder a
3621 reasonable fee for this service.

3622 (h) The Florida Thoroughbred Breeders' Association shall
3623 annually establish a uniform rate and procedure for the payment
3624 of breeders' and stallion awards and shall make breeders' and
3625 stallion award payments in strict compliance with the established
3626 uniform rate and procedure plan. The plan may set a cap on
3627 winnings and may limit, exclude, or defer payments to certain
3628 classes of races, such as the Florida stallion stakes races, in
3629 order to assure that there are adequate revenues to meet the
3630 proposed uniform rate. Such plan must include proposals for the
3631 general promotion of the industry. Priority shall be placed upon
3632 imposing such restrictions in lieu of allowing the uniform rate
3633 to be less than 15 percent of the total purse payment. The
3634 uniform rate and procedure plan must be approved by the bureau
3635 ~~division~~ before implementation. In the absence of an approved
3636 plan and procedure, the authorized rate for breeders' and
3637 stallion awards is 15 percent of the announced gross purse for
3638 each race. Such purse must include nomination fees, eligibility
3639 fees, starting fees, supplementary fees, and moneys added by the
3640 sponsor of the race. If the funds in the account for payment of

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3641 breeders' and stallion awards are not sufficient to meet all
3642 earned breeders' and stallion awards, those breeders and stallion
3643 owners not receiving payments have first call on any subsequent
3644 receipts in that or any subsequent year.

3645 (i) The Florida Thoroughbred Breeders' Association shall
3646 keep accurate records showing receipts and disbursements of such
3647 payments and shall annually file a full and complete report to
3648 the bureau ~~division~~ showing such receipts and disbursements and
3649 the sums withheld for administration. The bureau ~~division~~ may
3650 audit the records and accounts of the Florida Thoroughbred
3651 Breeders' Association to determine that payments have been made
3652 to eligible breeders and stallion owners in accordance with this
3653 section.

3654 (j) If the bureau ~~division~~ finds that the Florida
3655 Thoroughbred Breeders' Association has not complied with any
3656 provision of this section, the bureau ~~division~~ may order the
3657 association to cease and desist from receiving funds and
3658 administering funds received under this section. If the bureau
3659 ~~division~~ enters such an order, the permitholder shall make the
3660 payments authorized in this section to the bureau ~~division~~ for
3661 deposit into the Pari-mutuel Wagering Trust Fund; and any funds
3662 in the Florida Thoroughbred Breeders' Association account shall
3663 be immediately paid to the Bureau ~~division~~ of Pari-mutuel
3664 Wagering for deposit to the Pari-mutuel Wagering Trust Fund. The
3665 bureau ~~division~~ shall authorize payment from these funds to any
3666 breeder or stallion owner entitled to an award that has not been
3667 previously paid by the Florida Thoroughbred Breeders' Association
3668 in accordance with the applicable rate.

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3669 (4) Each permitholder conducting a harness horse race under
3670 this chapter shall pay a sum equal to the breaks on all pari-
3671 mutuel pools conducted during that race for the payment of
3672 breeders' awards, stallion awards, and stallion stakes and for
3673 additional expenditures as authorized in this section. The
3674 Florida Standardbred Breeders and Owners Association may ~~is~~
3675 ~~authorized to~~ receive these payments from the permitholders and
3676 make payments as authorized in this subsection. The Florida
3677 Standardbred Breeders and Owners Association has the right to
3678 withhold up to 10 percent of the permitholder's payments under
3679 this section and under s. 550.2633 as a fee for administering
3680 these payments. The permitholder shall remit these payments to
3681 the Florida Standardbred Breeders and Owners Association by the
3682 5th day of each calendar month for such sums accruing during the
3683 preceding calendar month and shall report such payments to the
3684 bureau ~~division~~ as prescribed by the bureau ~~division~~. With the
3685 exception of the 10-percent fee for administering the payments
3686 and the use of the moneys authorized by paragraph (j), the moneys
3687 paid by the permitholders shall be maintained in a separate,
3688 interest-bearing account; and such payments together with any
3689 interest earned shall be allocated for the payment of breeders'
3690 awards, stallion awards, stallion stakes, additional purses, and
3691 prizes for, and the general promotion of owning and breeding of,
3692 Florida-bred standardbred horses. Payment of breeders' awards and
3693 stallion awards shall be made in accordance with the following
3694 provisions:

3695 (a) The breeder of each Florida-bred standardbred horse
3696 winning a harness horse race is entitled to an award of up to,
3697 but not exceeding, 20 percent of the announced gross purse,

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3698 including nomination fees, eligibility fees, starting fees,
3699 supplementary fees, and moneys added by the sponsor of the race.

3700 (b) The owner or owners of the sire of a Florida-bred
3701 standardbred horse that wins a stakes race is entitled to a
3702 stallion award of up to, but not exceeding, 20 percent of the
3703 announced gross purse, including nomination fees, eligibility
3704 fees, starting fees, supplementary fees, and moneys added by the
3705 sponsor of the race.

3706 (c) In order for a breeder of a Florida-bred standardbred
3707 horse to be eligible to receive a breeder's award, the horse
3708 winning the race must have been registered as a Florida-bred
3709 horse with the Florida Standardbred Breeders and Owners
3710 Association and a registration certificate under seal for the
3711 winning horse must show that the winner has been duly registered
3712 as a Florida-bred horse as evidenced by the seal and proper
3713 serial number of the United States Trotting Association registry.
3714 The Florida Standardbred Breeders and Owners Association shall be
3715 permitted to charge the registrant a reasonable fee for this
3716 verification and registration.

3717 (d) In order for an owner of the sire of a standardbred
3718 horse winning a stakes race to be eligible to receive a stallion
3719 award, the stallion must have been registered with the Florida
3720 Standardbred Breeders and Owners Association, and the breeding of
3721 the registered Florida-bred horse must have occurred in this
3722 state. The stallion must be standing permanently in this state
3723 or, if the stallion is dead, must have stood permanently in this
3724 state for a period of not less than 1 year immediately prior to
3725 its death. The removal of a stallion from this state for any
3726 reason, other than exclusively for prescribed medical treatment,

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3727 renders the owner or the owners of the stallion ineligible to
3728 receive a stallion award under any circumstances for offspring
3729 sired prior to removal; however, if a removed stallion is
3730 returned to this state, all offspring sired subsequent to the
3731 return make the owner or owners of the stallion eligible for the
3732 stallion award but only for those offspring sired subsequent to
3733 such return to this state. The Florida Standardbred Breeders and
3734 Owners Association shall maintain complete records showing the
3735 date the stallion arrived in this state for the first time,
3736 whether or not the stallion remained in the state permanently,
3737 the location of the stallion, and whether the stallion is still
3738 standing in this state and complete records showing awards
3739 earned, received, and distributed. The association may charge the
3740 owner, owners, or breeder a reasonable fee for this service.

3741 (e) A permitholder conducting a harness horse race under
3742 this chapter shall, within 30 days after the end of the race meet
3743 during which the race is conducted, certify to the Florida
3744 Standardbred Breeders and Owners Association such information
3745 relating to the horse winning a stakes or other horserace at the
3746 meet as may be required to determine the eligibility for payment
3747 of breeders' awards and stallion awards.

3748 (f) The Florida Standardbred Breeders and Owners
3749 Association shall maintain complete records showing the starters
3750 and winners in all races conducted at harness horse racetracks in
3751 this state; shall maintain complete records showing awards
3752 earned, received, and distributed; and may charge the owner,
3753 owners, or breeder a reasonable fee for this service.

3754 (g) The Florida Standardbred Breeders and Owners
3755 Association shall annually establish a uniform rate and procedure

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3756 for the payment of breeders' awards, stallion awards, stallion
3757 stakes, additional purses, and prizes for, and for the general
3758 promotion of owning and breeding of, Florida-bred standardbred
3759 horses and shall make award payments and allocations in strict
3760 compliance with the established uniform rate and procedure. The
3761 plan may set a cap on winnings, and may limit, exclude, or defer
3762 payments to certain classes of races, such as the Florida
3763 Breeders' stakes races, in order to assure that there are
3764 adequate revenues to meet the proposed uniform rate. Priority
3765 shall be placed on imposing such restrictions in lieu of allowing
3766 the uniform rate allocated to payment of breeder and stallion
3767 awards to be less than 10 percent of the total purse payment. The
3768 uniform rate and procedure must be approved by the bureau
3769 ~~division~~ before implementation. In the absence of an approved
3770 plan and procedure, the authorized rate for breeders' and
3771 stallion awards is 10 percent of the announced gross purse for
3772 each race. Such purse must include nomination fees, eligibility
3773 fees, starting fees, supplementary fees, and moneys added by the
3774 sponsor of the race. If the funds in the account for payment of
3775 breeders' and stallion awards are not sufficient to meet all
3776 earned breeders' and stallion awards, those breeders and stallion
3777 owners not receiving payments have first call on any subsequent
3778 receipts in that or any subsequent year.

3779 (h) The Florida Standardbred Breeders and Owners
3780 Association shall keep accurate records showing receipts and
3781 disbursements of such payments and shall annually file a full and
3782 complete report to the bureau ~~division~~ showing such receipts and
3783 disbursements and the sums withheld for administration. The
3784 bureau ~~division~~ may audit the records and accounts of the Florida

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3785 Standardbred Breeders and Owners Association to determine that
3786 payments have been made to eligible breeders, stallion owners,
3787 and owners of Florida-bred standardbred horses in accordance with
3788 this section.

3789 (i) If the bureau ~~division~~ finds that the Florida
3790 Standardbred Breeders and Owners Association has not complied
3791 with any provision of this section, the bureau ~~division~~ may order
3792 the association to cease and desist from receiving funds and
3793 administering funds received under this section and under s.
3794 550.2633. If the bureau ~~division~~ enters such an order, the
3795 permitholder shall make the payments authorized in this section
3796 and s. 550.2633 to the bureau ~~division~~ for deposit into the Pari-
3797 mutuel Wagering Trust Fund; and any funds in the Florida
3798 Standardbred Breeders and Owners Association account shall be
3799 immediately paid to the bureau ~~division~~ for deposit to the Pari-
3800 mutuel Wagering Trust Fund. The bureau ~~division~~ shall authorize
3801 payment from these funds to any breeder, stallion owner, or owner
3802 of a Florida-bred standardbred horse entitled to an award that
3803 has not been previously paid by the Florida Standardbred Breeders
3804 and Owners Association in accordance with the applicable rate.

3805 (j) The board of directors of the Florida Standardbred
3806 Breeders and Owners Association may authorize the release of up
3807 to 25 percent of the funds available for breeders' awards,
3808 stallion awards, stallion stakes, additional purses, and prizes
3809 for, and for the general promotion of owning and breeding of,
3810 Florida-bred standardbred horses to be used for purses for, and
3811 promotion of, Florida-bred standardbred horses at race meetings
3812 at which there is no pari-mutuel wagering unless, and to the
3813 extent that, such release would render the funds available for

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3814 such awards insufficient to pay the breeders' and stallion awards
3815 earned pursuant to the annual plan of the association. Any such
3816 funds so released and used for purses are not considered to be an
3817 "announced gross purse" as that term is used in paragraphs (a)
3818 and (b), and no breeders' or stallion awards, stallion stakes, or
3819 owner awards are required to be paid for standardbred horses
3820 winning races in meetings at which there is no pari-mutuel
3821 wagering. The amount of purses to be paid from funds so released
3822 and the meets eligible to receive such funds for purses must be
3823 approved by the board of directors of the Florida Standardbred
3824 Breeders and Owners Association.

3825 (5) (a) Except as provided in subsections (7) and (8), each
3826 permitholder conducting a quarter horse race meet under this
3827 chapter shall pay a sum equal to the breaks plus a sum equal to 1
3828 percent of all pari-mutuel pools conducted during that race for
3829 supplementing and augmenting purses and prizes and for the
3830 general promotion of owning and breeding of racing quarter horses
3831 in this state as authorized in this section. The Florida Quarter
3832 Horse Breeders and Owners Association may ~~is authorized to~~
3833 receive these payments from the permitholders and make payments
3834 as authorized in this subsection. The Florida Quarter Horse
3835 Breeders and Owners Association, Inc., referred to in this
3836 chapter as the Florida Quarter Horse Breeders and Owners
3837 Association, has the right to withhold up to 10 percent of the
3838 permitholder's payments under this section and under s. 550.2633
3839 as a fee for administering these payments. The permitholder shall
3840 remit these payments to the Florida Quarter Horse Breeders and
3841 Owners Association by the 5th day of each calendar month for such
3842 sums accruing during the preceding calendar month and shall

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3843 report such payments to the bureau ~~division~~ as prescribed by the
3844 bureau ~~division~~. With the exception of the 5-percent fee for
3845 administering the payments, the moneys paid by the permitholders
3846 shall be maintained in a separate, interest-bearing account.

3847 (b) The Florida Quarter Horse Breeders and Owners
3848 Association shall use these funds solely for supplementing and
3849 augmenting purses and prizes and for the general promotion of
3850 owning and breeding of racing quarter horses in this state and
3851 for general administration of the Florida Quarter Horse Breeders
3852 and Owners Association, Inc., in this state.

3853 (c) In order for an owner or breeder of a Florida-bred
3854 quarter horse to be eligible to receive an award, the horse
3855 winning a race must have been registered as a Florida-bred horse
3856 with the Florida Quarter Horse Breeders and Owners Association
3857 and a registration certificate under seal for the winning horse
3858 must show that the winning horse has been duly registered prior
3859 to the race as a Florida-bred horse as evidenced by the seal and
3860 proper serial number of the Florida Quarter Horse Breeders and
3861 Owners Association registry. The Department of Agriculture and
3862 Consumer Services may ~~is authorized to~~ assist the association in
3863 maintaining this registry. The Florida Quarter Horse Breeders and
3864 Owners Association may charge the registrant a reasonable fee for
3865 this verification and registration. Any person who registers
3866 unqualified horses or misrepresents information in any way shall
3867 be denied any future participation in breeders' awards, and all
3868 horses misrepresented will no longer be deemed to be Florida-
3869 bred.

3870 (d) A permitholder conducting a quarter horse race under a
3871 quarter horse permit under this chapter shall, within 30 days

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3872 after the end of the race meet during which the race is
3873 conducted, certify to the Florida Quarter Horse Breeders and
3874 Owners Association such information relating to the horse winning
3875 a stakes or other horserace at the meet as may be required to
3876 determine the eligibility for payment of breeders' awards under
3877 this section.

3878 (e) The Florida Quarter Horse Breeders and Owners
3879 Association shall maintain complete records showing the starters
3880 and winners in all quarter horse races conducted under quarter
3881 horse permits in this state; shall maintain complete records
3882 showing awards earned, received, and distributed; and may charge
3883 the owner, owners, or breeder a reasonable fee for this service.

3884 (f) The Florida Quarter Horse Breeders and Owners
3885 Association shall keep accurate records showing receipts and
3886 disbursements of payments made under this section and shall
3887 annually file a full and complete report to the bureau ~~division~~
3888 showing such receipts and disbursements and the sums withheld for
3889 administration. The bureau ~~division~~ may audit the records and
3890 accounts of the Florida Quarter Horse Breeders and Owners
3891 Association to determine that payments have been made in
3892 accordance with this section.

3893 (g) The Florida Quarter Horse Breeders and Owners
3894 Association shall annually establish a plan for supplementing and
3895 augmenting purses and prizes and for the general promotion of
3896 owning and breeding Florida-bred racing quarter horses and shall
3897 make award payments and allocations in strict compliance with the
3898 annual plan. The annual plan must be approved by the bureau
3899 ~~division~~ before implementation. If the funds in the account for
3900 payment of purses and prizes are not sufficient to meet all

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3901 purses and prizes to be awarded, those breeders and owners not
3902 receiving payments have first call on any subsequent receipts in
3903 that or any subsequent year.

3904 (h) If the bureau ~~division~~ finds that the Florida Quarter
3905 Horse Breeders and Owners Association has not complied with any
3906 provision of this section, the bureau ~~division~~ may order the
3907 association to cease and desist from receiving funds and
3908 administering funds received under this section and s. 550.2633.
3909 If the bureau ~~division~~ enters such an order, the permitholder
3910 shall make the payments authorized in this section and s.
3911 550.2633 to the bureau ~~division~~ for deposit into the Pari-mutuel
3912 Wagering Trust Fund, and any funds in the Florida Quarter Horse
3913 Breeders and Owners Association account shall be immediately paid
3914 to the bureau ~~division~~ for deposit to the Pari-mutuel Wagering
3915 Trust Fund. The bureau ~~division~~ shall authorize payment from
3916 these funds to any breeder or owner of a quarter horse entitled
3917 to an award that has not been previously paid by the Florida
3918 Quarter Horse Breeders and Owners Association in accordance with
3919 this section.

3920 (7) (a) Each permitholder that conducts race meets under
3921 this chapter and runs Appaloosa races shall pay to the bureau
3922 ~~division~~ a sum equal to the breaks plus a sum equal to 1 percent
3923 of the total contributions to each pari-mutuel pool conducted on
3924 each Appaloosa race. The payments shall be remitted to the bureau
3925 ~~division~~ by the 5th day of each calendar month for sums accruing
3926 during the preceding calendar month.

3927 (b) The bureau ~~division~~ shall deposit these collections to
3928 the credit of the General Inspection Trust Fund in a special
3929 account to be known as the "Florida Appaloosa Racing Promotion

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3930 Account." The Department of Agriculture and Consumer Services
3931 shall administer the funds and adopt suitable and reasonable
3932 rules for the administration thereof. The moneys in the Florida
3933 Appaloosa Racing Promotion Account shall be allocated solely for
3934 supplementing and augmenting purses and prizes and for the
3935 general promotion of owning and breeding of racing Appaloosas in
3936 this state; and the moneys may not be used to defray any expense
3937 of the Department of Agriculture and Consumer Services in the
3938 administration of this chapter.

3939 (8) (a) Each permitholder that conducts race meets under
3940 this chapter and runs Arabian horse races shall pay to the bureau
3941 ~~division~~ a sum equal to the breaks plus a sum equal to 1 percent
3942 of the total contributions to each pari-mutuel pool conducted on
3943 each Arabian horse race. The payments shall be remitted to the
3944 bureau ~~division~~ by the 5th day of each calendar month for sums
3945 accruing during the preceding calendar month.

3946 (b) The bureau ~~division~~ shall deposit these collections to
3947 the credit of the General Inspection Trust Fund in a special
3948 account to be known as the "Florida Arabian Horse Racing
3949 Promotion Account." The Department of Agriculture and Consumer
3950 Services shall administer the funds and adopt suitable and
3951 reasonable rules for the administration thereof. The moneys in
3952 the Florida Arabian Horse Racing Promotion Account shall be
3953 allocated solely for supplementing and augmenting purses and
3954 prizes and for the general promotion of owning and breeding of
3955 racing Arabian horses in this state; and the moneys may not be
3956 used to defray any expense of the Department of Agriculture and
3957 Consumer Services in the administration of this chapter, except
3958 that the moneys generated by Arabian horse registration fees

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3959 received pursuant to s. 570.382 may be used as provided in
3960 paragraph (5)(b) of that section.

3961 Section 63. Section 550.26352, Florida Statutes, is amended
3962 to read:

3963 550.26352 Breeders' Cup Meet; pools authorized; conflicts;
3964 taxes; credits; transmission of races; rules; application.--

3965 (1) Notwithstanding any provision of this chapter to the
3966 contrary, there is ~~hereby~~ created a special thoroughbred race
3967 meet which shall be designated as the "Breeders' Cup Meet." The
3968 Breeders' Cup Meet shall be conducted at the facility of the
3969 Florida permitholder selected by Breeders' Cup Limited to conduct
3970 the Breeders' Cup Meet. The Breeders' Cup Meet shall consist of 3
3971 days: the day on which the Breeders' Cup races are conducted, the
3972 preceding day, and the subsequent day. Upon the selection of the
3973 Florida permitholder as host for the Breeders' Cup Meet and
3974 application by the selected permitholder, the bureau ~~division~~
3975 shall issue a license to the selected permitholder to operate the
3976 Breeders' Cup Meet. Notwithstanding s. 550.09515(2)(a), the
3977 Breeders' Cup Meet may be conducted on dates which the selected
3978 permitholder is not otherwise authorized to conduct a race meet.

3979 (2) The permitholder conducting the Breeders' Cup Meet is
3980 specifically authorized to create pari-mutuel pools during the
3981 Breeders' Cup Meet by accepting pari-mutuel wagers on the
3982 thoroughbred horse races run during said meet.

3983 (3) If the permitholder conducting the Breeders' Cup Meet
3984 is located within 35 miles of one or more permitholders scheduled
3985 to conduct a thoroughbred race meet on any of the 3 days of the
3986 Breeders' Cup Meet, then operation on any of those 3 days by the
3987 other permitholders is prohibited. As compensation for the loss

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3988 of racing days caused thereby, such operating permitholders shall
3989 receive a credit against the taxes otherwise due and payable to
3990 the state under ss. 550.0951 and 550.09515. This credit shall be
3991 in an amount equal to the operating loss determined to have been
3992 suffered by the operating permitholders as a result of not
3993 operating on the prohibited racing days, but shall not exceed a
3994 total of \$950,000. The determination of the amount to be credited
3995 shall be made by the bureau ~~division~~ upon application by the
3996 operating permitholder. The tax credits provided in this
3997 subsection shall not be available unless an operating
3998 permitholder is required to close a bona fide meet consisting in
3999 part of no fewer than 10 scheduled performances in the 15 days
4000 immediately preceding or 10 scheduled performances in the 15 days
4001 immediately following the Breeders' Cup Meet. Such tax credit
4002 shall be in lieu of any other compensation or consideration for
4003 the loss of racing days. There shall be no replacement or makeup
4004 of any lost racing days.

4005 (4) Notwithstanding any provision of ss. 550.0951 and
4006 550.09515, the permitholder conducting the Breeders' Cup Meet
4007 shall pay no taxes on the handle included within the pari-mutuel
4008 pools of said permitholder during the Breeders' Cup Meet.

4009 (5) The permitholder conducting the Breeders' Cup Meet
4010 shall receive a credit against the taxes otherwise due and
4011 payable to the state under ss. 550.0951 and 550.09515 generated
4012 during said permitholder's next ensuing regular thoroughbred race
4013 meet. This credit shall be in an amount not to exceed \$950,000
4014 and shall be utilized by the permitholder to pay the purses
4015 offered by the permitholder during the Breeders' Cup Meet in
4016 excess of the purses which the permitholder is otherwise required

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4017 | by law to pay. The amount to be credited shall be determined by
4018 | the bureau ~~division~~ upon application of the permitholder which is
4019 | subject to audit by the bureau ~~division~~.

4020 | (6) The permitholder conducting the Breeders' Cup Meet
4021 | shall receive a credit against the taxes otherwise due and
4022 | payable to the state under ss. 550.0951 and 550.09515 generated
4023 | during said permitholder's next ensuing regular thoroughbred race
4024 | meet. This credit shall be in an amount not to exceed \$950,000
4025 | and shall be utilized by the permitholder for such capital
4026 | improvements and extraordinary expenses as may be necessary for
4027 | operation of the Breeders' Cup Meet. The amount to be credited
4028 | shall be determined by the bureau ~~division~~ upon application of
4029 | the permitholder which is subject to audit by the bureau
4030 | ~~division~~.

4031 | (7) The permitholder conducting the Breeders' Cup Meet
4032 | shall be exempt from the payment of purses and other payments to
4033 | horsemen on all on-track, intertrack, interstate, and
4034 | international wagers or rights fees or payments arising therefrom
4035 | for all races for which the purse is paid or supplied by
4036 | Breeders' Cup Limited. The permitholder conducting the Breeders'
4037 | Cup Meet shall not, however, be exempt from breeders' awards
4038 | payments for on-track and intertrack wagers as provided in ss.
4039 | 550.2625(3) and 550.625(2) (a) for races in which the purse is
4040 | paid or supplied by Breeders' Cup Limited.

4041 | (8) (a) Pursuant to s. 550.3551(2), the permitholder
4042 | conducting the Breeders' Cup Meet may ~~is authorized to~~ transmit
4043 | broadcasts of the races conducted during the Breeders' Cup Meet
4044 | to locations outside of this state for wagering purposes. The
4045 | bureau ~~division~~ may approve broadcasts to pari-mutuel

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4046 | permitholders and other betting systems authorized under the laws
4047 | of any other state or country. Wagers accepted by any out-of-
4048 | state pari-mutuel permitholder or betting system on any races
4049 | broadcast under this section may be, but are not required to be,
4050 | commingled with the pari-mutuel pools of the permitholder
4051 | conducting the Breeders' Cup Meet. The calculation of any payoff
4052 | on national pari-mutuel pools with commingled wagers may be
4053 | performed by the permitholder's totalisator contractor at a
4054 | location outside of this state. Pool amounts from wagers placed
4055 | at pari-mutuel facilities or other betting systems in foreign
4056 | countries before being commingled with the pari-mutuel pool of
4057 | the Florida permitholder conducting the Breeders' Cup Meet shall
4058 | be calculated by the totalisator contractor and transferred to
4059 | the commingled pool in United States currency in cycles
4060 | customarily used by the permitholder. Pool amounts from wagers
4061 | placed at any foreign pari-mutuel facility or other betting
4062 | system shall not be commingled with a Florida pool until a
4063 | determination is made by the bureau ~~division~~ that the technology
4064 | utilized by the totalisator contractor is adequate to assure
4065 | commingled pools will result in the calculation of accurate
4066 | payoffs to Florida bettors. Any totalisator contractor at a
4067 | location outside of this state shall comply with the provisions
4068 | of s. 550.495 relating to totalisator licensing.

4069 | (b) The permitholder conducting the Breeders' Cup Meet may
4070 | ~~is authorized to~~ transmit broadcasts of the races conducted
4071 | during the Breeders' Cup Meet to other pari-mutuel facilities
4072 | located in this state for wagering purposes; however, the
4073 | permitholder conducting the Breeders' Cup Meet shall not be
4074 | required to transmit broadcasts to any pari-mutuel facility

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4075 | located within 25 miles of the facility at which the Breeders'
4076 | Cup Meet is conducted.

4077 | (9) The exemption from the tax credits provided in
4078 | subsections (5) and (6) shall not be granted and shall not be
4079 | claimed by the permitholder until an audit is completed by the
4080 | bureau ~~division~~. The bureau ~~division~~ is required to complete the
4081 | audit within 30 days of receipt of the necessary documentation
4082 | from the permitholder to verify the permitholder's claim for tax
4083 | credits. If the documentation submitted by the permitholder is
4084 | incomplete or is insufficient to document the permitholder's
4085 | claim for tax credits, the bureau ~~division~~ may request such
4086 | additional documentation as is necessary to complete the audit.
4087 | Upon receipt of the bureau ~~division~~'s written request for
4088 | additional documentation, the 30-day time limitation will
4089 | commence anew.

4090 | (10) The bureau may ~~division is authorized to~~ adopt such
4091 | rules as are necessary to facilitate the conduct of the Breeders'
4092 | Cup Meet as authorized in this section. Included within this
4093 | grant of authority shall be the adoption or waiver of rules
4094 | regarding the overall conduct of racing during the Breeders' Cup
4095 | Meet so as to ensure the integrity of the races, licensing for
4096 | all participants, special stabling and training requirements for
4097 | foreign horses, commingling of pari-mutuel pools, and audit
4098 | requirements for tax credits and other benefits.

4099 | (11) Any dispute between the bureau ~~division~~ and any
4100 | permitholder regarding the tax credits authorized under
4101 | subsection (3), subsection (5), or subsection (6) shall be
4102 | determined by a hearing officer of the Bureau ~~division~~ of
4103 | Administrative Hearings under the provisions of s. 120.57(1).

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4104 (12) The provisions of this section shall prevail over any
4105 conflicting provisions of this chapter.

4106 Section 64. Subsections (1), (5), (6), and (8) of section
4107 550.2704, Florida Statutes, are amended to read:

4108 550.2704 Jai Alai Tournament of Champions Meet.--

4109 (1) Notwithstanding any provision of this chapter, there is
4110 hereby created a special jai alai meet which shall be designated
4111 as the "Jai Alai Tournament of Champions Meet" and which shall be
4112 hosted by the Florida jai alai permitholders selected by the
4113 National Association of Jai Alai Frontons, Inc., to conduct such
4114 meet. The meet shall consist of three qualifying performances and
4115 a final performance, each of which is to be conducted on
4116 different days. Upon the selection of the Florida permitholders
4117 for the meet, and upon application by the selected permitholders,
4118 the Bureau ~~division~~ of Pari-mutuel Wagering shall issue a license
4119 to each of the selected permitholders to operate the meet. The
4120 meet may be conducted during a season in which the permitholders
4121 selected to conduct the meet are not otherwise authorized to
4122 conduct a meet. Notwithstanding anything herein to the contrary,
4123 any Florida permitholder who is to conduct a performance which is
4124 a part of the Jai Alai Tournament of Champions Meet shall not be
4125 required to apply for the license for said meet if it is to be
4126 run during the regular season for which such permitholder has a
4127 license.

4128 (5) In addition to the credit authorized in subsection (4),
4129 the Jai Alai Tournament of Champions Meet permitholders shall
4130 receive a credit against the taxes, otherwise due and payable
4131 under s. 550.0951 or s. 550.09511, generated during said
4132 permitholders' current regular meet, in an amount not to exceed

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4133 the aggregate amount of \$150,000, which shall be prorated equally
4134 between the permitholders, and shall be utilized by the
4135 permitholders for such capital improvements and extraordinary
4136 expenses, including marketing expenses, as may be necessary for
4137 the operation of the meet. The determination of the amount to be
4138 credited shall be made by the bureau ~~division~~ upon application of
4139 said permitholders.

4140 (6) The permitholder shall be entitled to said
4141 permitholder's pro rata share of the \$150,000 tax credit provided
4142 in subsection (5) without having to make application, so long as
4143 appropriate documentation to substantiate said expenditures
4144 thereunder is provided to the bureau ~~division~~ within 30 days
4145 following said Jai Alai Tournament of Champions Meet.

4146 (8) The bureau ~~may division is authorized to~~ adopt such
4147 rules as are necessary to facilitate the conduct of the Jai Alai
4148 Tournament of Champions Meet as authorized in this section.
4149 Included within this grant of authority shall be the adoption of
4150 rules regarding the overall conduct of the tournament so as to
4151 ensure the integrity of the event, licensing for participants,
4152 commingling of pari-mutuel pools, and audit requirements for tax
4153 credits and exemptions.

4154 Section 65. Subsections (1), (2), (5), and paragraph (a) of
4155 subsection (7) of section 550.334, Florida Statutes, are amended
4156 to read:

4157 550.334 Quarter horse racing; substitutions.--

4158 (1) Subject to all the applicable provisions of this
4159 chapter, any person who possesses the qualifications prescribed
4160 in this chapter may apply to the bureau ~~division~~ for a permit to
4161 conduct quarter horse race meetings and racing under this

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4162 chapter. The applicant must demonstrate that the location or
4163 locations where the permit will be used are available for such
4164 use and that she or he has the financial ability to satisfy the
4165 reasonably anticipated operational expenses of the first racing
4166 year following final issuance of the permit. If the racing
4167 facility is already built, the application must contain a
4168 statement, with reasonable supporting evidence, that the permit
4169 will be used for quarter horse racing within 1 year after the
4170 date on which it is granted; if the facility is not already
4171 built, the application must contain a statement, with reasonable
4172 supporting evidence, that substantial construction will be
4173 started within 1 year after the issuance of the permit. After
4174 receipt of an application, the bureau ~~division~~ shall convene to
4175 consider and act upon permits applied for. The bureau ~~division~~
4176 shall disapprove an application if it fails to meet the
4177 requirements of this chapter. Upon each application filed and
4178 approved, a permit shall be issued setting forth the name of the
4179 applicant and a statement showing qualifications of the applicant
4180 to conduct racing under this chapter. If a favorable referendum
4181 on a pari-mutuel facility has not been held previously within the
4182 county, then, before a quarter horse permit may be issued by the
4183 bureau ~~division~~, a referendum ratified by a majority of the
4184 electors in the county is required on the question of allowing
4185 quarter horse races within that county.

4186 (2) After a quarter horse racing permit has been granted by
4187 the bureau ~~division~~, the department shall grant to the lawful
4188 holder of such permit, subject to the conditions of this section,
4189 a license to conduct quarter horse racing under this chapter; and
4190 the bureau ~~division~~ shall fix annually the time when, place

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4191 | where, and number of days upon which racing may be conducted by
4192 | such quarter horse racing permitholder. After the first license
4193 | has been issued to the holder of a permit for quarter horse
4194 | racing, all subsequent annual applications for a license by a
4195 | permitholder must be accompanied by proof, in such form as the
4196 | bureau ~~division~~ requires, that the permitholder still possesses
4197 | all the qualifications prescribed by this chapter. The bureau
4198 | ~~division~~ may revoke any permit or license issued under this
4199 | section upon the willful violation by the licensee of any
4200 | provision of this chapter or any rule adopted by the bureau
4201 | ~~division~~ under this chapter. The bureau ~~division~~ shall revoke any
4202 | quarter horse permit under which no live racing has ever been
4203 | conducted before July 7, 1990, for failure to conduct a horse
4204 | meet pursuant to the license issued where a full schedule of
4205 | horseracing has not been conducted for a period of 18 months
4206 | commencing on October 1, 1990, unless the permitholder has
4207 | commenced construction on a facility at which a full schedule of
4208 | live racing could be conducted as approved by the bureau
4209 | ~~division~~. "Commenced construction" means initiation of and
4210 | continuous activities beyond site preparation associated with
4211 | erecting or modifying a horseracing facility, including
4212 | procurement of a building permit applying the use of approved
4213 | construction documents, proof of an executed owner/contractor
4214 | agreement or an irrevocable or binding forced account, and actual
4215 | undertaking of foundation forming with steel installation and
4216 | concrete placing. The 18-month period shall be extended by the
4217 | bureau ~~division~~, to the extent that the applicant demonstrates to
4218 | the satisfaction of the bureau ~~division~~ that good faith
4219 | commencement of the construction of the facility is being delayed

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4220 by litigation or by governmental action or inaction with respect
4221 to regulations or permitting precluding commencement of the
4222 construction of the facility.

4223 (5) Quarter horses participating in such races must be duly
4224 registered by the American Quarter Horse Association, and before
4225 each race such horses must be examined and declared in fit
4226 condition by a qualified person designated by the bureau
4227 ~~division~~.

4228 (7) (a) Any quarter horse racing permitholder operating
4229 under a valid permit issued by the bureau ~~may division is~~
4230 ~~authorized to~~ substitute races of other breeds of horses, except
4231 thoroughbreds, which are, respectively, registered with the
4232 American Paint Horse Association, Appaloosa Horse Club, Arabian
4233 Horse Registry of America, Palomino Horse Breeders of America, or
4234 United States Trotting Association, for no more than 50 percent
4235 of the quarter horse races daily, and may substitute races of
4236 thoroughbreds registered with the Jockey Club for no more than 50
4237 percent of the quarter horse races daily with the written consent
4238 of all greyhound, harness, and thoroughbred permitholders whose
4239 pari-mutuel facilities are located within 50 air miles of such
4240 quarter horse racing permitholder's pari-mutuel facility.

4241 Section 66. Section 550.3355, Florida Statutes, is amended
4242 to read:

4243 550.3355 Harness track licenses for summer quarter horse
4244 racing.--Any harness track licensed to operate under the
4245 provisions of s. 550.375 may make application for, and shall be
4246 issued by the bureau ~~division~~, a license to operate not more than
4247 50 quarter horse racing days during the summer season, which
4248 shall extend from June 1 until September 1 of each year. However,

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4249 | this license to operate quarter horse racing for 50 days is in
4250 | addition to the racing days and dates provided in s. 550.375 for
4251 | harness racing during the winter seasons; and, it does not affect
4252 | the right of such licensee to operate harness racing at the track
4253 | as provided in s. 550.375 during the winter season. All
4254 | provisions of this chapter governing quarter horse racing not in
4255 | conflict herewith apply to the operation of quarter horse
4256 | meetings authorized hereunder, except that all quarter horse
4257 | racing permitted hereunder shall be conducted at night.

4258 | Section 67. Paragraph (a) of subsection (6) and subsections
4259 | (10) and (13) of section 550.3551, Florida Statutes, are amended
4260 | to read:

4261 | 550.3551 Transmission of racing and jai alai information;
4262 | commingling of pari-mutuel pools.--

4263 | (6) (a) A maximum of 20 percent of the total number of races
4264 | on which wagers are accepted by a greyhound permitholder not
4265 | located as specified in s. 550.615(6) may be received from
4266 | locations outside this state. A permitholder may not conduct
4267 | fewer than eight live races or games on any authorized race day
4268 | except as provided in this subsection. A thoroughbred
4269 | permitholder may not conduct fewer than eight live races on any
4270 | race day without the written approval of the Florida Thoroughbred
4271 | Breeders' Association and the Florida Horsemen's Benevolent and
4272 | Protective Association, Inc., unless it is determined by the
4273 | department that another entity represents a majority of the
4274 | thoroughbred racehorse owners and trainers in the state. A
4275 | harness permitholder may conduct fewer than eight live races on
4276 | any authorized race day, except that such permitholder must
4277 | conduct a full schedule of live racing during its race meet

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4278 consisting of at least eight live races per authorized race day
4279 for at least 100 days. Any harness horse permitholder that during
4280 the preceding racing season conducted a full schedule of live
4281 racing may, at any time during its current race meet, receive
4282 full-card broadcasts of harness horse races conducted at harness
4283 racetracks outside this state at the harness track of the
4284 permitholder and accept wagers on such harness races. With
4285 specific authorization from the bureau ~~division~~ for special
4286 racing events, a permitholder may conduct fewer than eight live
4287 races or games when the permitholder also broadcasts out-of-state
4288 races or games. The bureau ~~division~~ may not grant more than two
4289 such exceptions a year for a permitholder in any 12-month period,
4290 and those two exceptions may not be consecutive.

4291 (10) The bureau ~~division~~ may adopt rules necessary to
4292 facilitate commingling of pari-mutuel pools, to ensure the proper
4293 calculation of payoffs in circumstances in which different
4294 commission percentages are applicable and to regulate the
4295 distribution of net proceeds between the horse track and, in this
4296 state, the horsemen's associations.

4297 (13) This section does not prohibit the commingling of
4298 national pari-mutuel pools by a totalisator company that is
4299 licensed under this chapter. Such commingling of national pools
4300 is subject to bureau ~~division~~ review and approval and must be
4301 performed in accordance with rules adopted by the bureau ~~division~~
4302 to ensure accurate calculation and distribution of the pools.

4303 Section 68. Section 550.3605, Florida Statutes, is amended
4304 to read:

4305 550.3605 Use of electronic transmitting equipment; permit
4306 by bureau ~~division~~ required.--Any person who has in her or his

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4307 possession or control on the premises of any licensed horse or
4308 dog racetrack or jai alai fronton any electronic transmitting
4309 equipment or device that is capable of transmitting or
4310 communicating any information whatsoever to another person,
4311 without the written permission of the bureau ~~division~~, is guilty
4312 of a misdemeanor of the second degree, punishable as provided in
4313 s. 775.082 or s. 775.083. This section does not apply to the
4314 possession or control of any telephone, telegraph, radio, or
4315 television facilities installed by any such licensee with the
4316 approval of the bureau ~~division~~.

4317 Section 69. Subsections (3), (4), and (5) of section
4318 550.3615, Florida Statutes, are amended to read:

4319 550.3615 Bookmaking on the grounds of a permitholder;
4320 penalties; reinstatement; duties of track employees; penalty;
4321 exceptions.--

4322 (3) Any person who has been convicted of bookmaking in this
4323 state or any other state of the United States or any foreign
4324 country shall be denied admittance to and shall not attend any
4325 racetrack or fronton in this state during its racing seasons or
4326 operating dates, including any practice or preparational days,
4327 for a period of 2 years after the date of conviction or the date
4328 of final appeal. Following the conclusion of the period of
4329 ineligibility, the director of the bureau ~~division~~ may authorize
4330 the reinstatement of an individual following a hearing on
4331 readmittance. Any such person who knowingly violates this
4332 subsection is guilty of a misdemeanor of the first degree,
4333 punishable as provided in s. 775.082 or s. 775.083.

4334 (4) If the activities of a person show that this law is
4335 being violated, and such activities are either witnessed or are

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4336 common knowledge by any track or fronton employee, it is the duty
4337 of that employee to bring the matter to the immediate attention
4338 of the permitholder, manager, or her or his designee, who shall
4339 notify a law enforcement agency having jurisdiction. Willful
4340 failure on the part of any track or fronton employee to comply
4341 with the provisions of this subsection is a ground for the bureau
4342 ~~division~~ to suspend or revoke that employee's license for track
4343 or fronton employment.

4344 (5) Each permittee shall display, in conspicuous places at
4345 a track or fronton and in all race and jai alai daily programs, a
4346 warning to all patrons concerning the prohibition and penalties
4347 of bookmaking contained in this section and s. 849.25. The bureau
4348 ~~division~~ shall adopt rules concerning the uniform size of all
4349 warnings and the number of placements throughout a track or
4350 fronton. Failure on the part of the permittee to display such
4351 warnings may result in the imposition of a \$500 fine by the
4352 bureau ~~division~~ for each offense.

4353 Section 70. Subsections (2) and (3) of section 550.375,
4354 Florida Statutes, are amended to read:

4355 550.375 Operation of certain harness tracks.--

4356 (2) Any permittee or licensee authorized under this section
4357 to transfer the location of its permit may conduct harness racing
4358 only between the hours of 7 p.m. and 2 a.m. A permit so
4359 transferred applies only to the locations provided in this
4360 section. The provisions of this chapter which prohibit the
4361 location and operation of a licensed harness track permittee and
4362 licensee within 100 air miles of the location of a racetrack
4363 authorized to conduct racing under this chapter and which
4364 prohibit the bureau ~~division~~ from granting any permit to a

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4365 harness track at a location in the area in which there are three
4366 horse tracks located within 100 air miles thereof do not apply to
4367 a licensed harness track that is required by the terms of this
4368 section to race between the hours of 7 p.m. and 2 a.m.

4369 (3) A permit may not be issued by the bureau ~~division~~ for
4370 the operation of a harness track within 75 air miles of a
4371 location of a harness track licensed and operating under this
4372 chapter.

4373 Section 71. Section 550.495, Florida Statutes, is amended
4374 to read:

4375 550.495 Totalisator licensing.--

4376 (1) A totalisator may not be operated at a pari-mutuel
4377 facility in this state, or at a facility located in or out of
4378 this state which is used as the primary totalisator for a race or
4379 game conducted in this state, unless the totalisator company
4380 possesses a business license issued by the bureau ~~division~~.

4381 (2) (a) Each totalisator company must apply to the bureau
4382 ~~division~~ for an annual business license. The application must
4383 include such information as the bureau ~~division~~ by rule requires.

4384 (b) As a part of its license application, each totalisator
4385 company must agree in writing to pay to the bureau ~~division~~ an
4386 amount equal to the loss of any state revenues from missed or
4387 canceled races, games, or performances due to acts of the
4388 totalisator company or its agents or employees or failures of the
4389 totalisator system, except for circumstances beyond the control
4390 of the totalisator company or agent or employee, as determined by
4391 the bureau ~~division~~.

4392 (c) Each totalisator company must file with the bureau
4393 ~~division~~ a performance bond, acceptable to the bureau ~~division~~,

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4394 in the sum of \$250,000 issued by a surety approved by the bureau
4395 ~~division~~ or must file proof of insurance, acceptable to the
4396 bureau division, against financial loss in the amount of
4397 \$250,000, insuring the state against such a revenue loss.

4398 (d) In the event of a loss of state tax revenues, the
4399 bureau division shall determine:

4400 1. The estimated revenue lost as a result of missed or
4401 canceled races, games, or performances;

4402 2. The number of races, games, or performances which is
4403 practicable for the permitholder to conduct in an attempt to
4404 mitigate the revenue loss; and

4405 3. The amount of the revenue loss which the makeup races,
4406 games, or performances will not recover and for which the
4407 totalisator company is liable.

4408 (e) Upon the making of such determinations, the bureau
4409 ~~division~~ shall issue to the totalisator company and to the
4410 affected permitholder an order setting forth the determinations
4411 of the bureau division.

4412 (f) If the order is contested by either the totalisator
4413 company or any affected permitholder, the provisions of chapter
4414 120 apply. If the totalisator company contests the order on the
4415 grounds that the revenue loss was due to circumstances beyond its
4416 control, the totalisator company has the burden of proving that
4417 circumstances vary in fact beyond its control. For purposes of
4418 this paragraph, strikes and acts of God are beyond the control of
4419 the totalisator company.

4420 (g) Upon the failure of the totalisator company to make the
4421 payment found to be due the state, the bureau division may cause
4422 the forfeiture of the bond or may proceed against the insurance

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4423 contract, and the proceeds of the bond or contract shall be
4424 deposited into the Pari-mutuel Wagering Trust Fund. If that bond
4425 was not posted or insurance obtained, the bureau ~~division~~ may
4426 proceed against any assets of the totalisator company to collect
4427 the amounts due under this subsection.

4428 (3) If the applicant meets the requirements of this section
4429 and bureau ~~division~~ rules and pays the license fee, the bureau
4430 ~~division~~ shall issue the license.

4431 (4) Each totalisator company shall conduct operations in
4432 accordance with rules adopted by the bureau ~~division~~, in such
4433 form, content, and frequency as the bureau ~~division~~ by rule
4434 determines.

4435 (5) The bureau ~~division~~ and its representatives may enter
4436 and inspect any area of the premises of a licensed totalisator
4437 company, and may examine totalisator records, during the
4438 licensee's regular business or operating hours.

4439 Section 72. Section 550.505, Florida Statutes, is amended
4440 to read:

4441 550.505 Nonwagering permits.--

4442 (1) (a) Except as provided in this section, permits and
4443 licenses issued by the bureau ~~division~~ are intended to be used
4444 for pari-mutuel wagering operations in conjunction with
4445 horseraces, dograces, or jai alai performances.

4446 (b) Subject to the requirements of this section, the bureau
4447 ~~division~~ is authorized to issue permits for the conduct of
4448 horseracing meets without pari-mutuel wagering or any other form
4449 of wagering being conducted in conjunction therewith. Such
4450 permits shall be known as nonwagering permits and may be issued
4451 only for horseracing meets. A horseracing permitholder need not

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4452 obtain an additional permit from the bureau ~~division~~ for
4453 conducting nonwagering racing under this section, but must apply
4454 to the bureau ~~division~~ for the issuance of a license under this
4455 section. The holder of a nonwagering permit is prohibited from
4456 conducting pari-mutuel wagering or any other form of wagering in
4457 conjunction with racing conducted under the permit. Nothing in
4458 this subsection prohibits horseracing for any stake, purse,
4459 prize, or premium.

4460 (c) The holder of a nonwagering permit is exempt from the
4461 provisions of s. 550.105 and is exempt from the imposition of
4462 daily license fees and admission tax.

4463 (2) (a) Any person not prohibited from holding any type of
4464 pari-mutuel permit under s. 550.1815 shall be allowed to apply to
4465 the bureau ~~division~~ for a nonwagering permit. The applicant must
4466 demonstrate that the location or locations where the nonwagering
4467 permit will be used are available for such use and that the
4468 applicant has the financial ability to satisfy the reasonably
4469 anticipated operational expenses of the first racing year
4470 following final issuance of the nonwagering permit. If the racing
4471 facility is already built, the application must contain a
4472 statement, with reasonable supporting evidence, that the
4473 nonwagering permit will be used for horseracing within 1 year
4474 after the date on which it is granted. If the facility is not
4475 already built, the application must contain a statement, with
4476 reasonable supporting evidence, that substantial construction
4477 will be started within 1 year after the issuance of the
4478 nonwagering permit.

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4479 (b) The bureau ~~division~~ may conduct an eligibility
4480 investigation to determine if the applicant meets the
4481 requirements of paragraph (a).

4482 (3) (a) Upon receipt of a nonwagering permit, the
4483 permitholder must apply to the bureau ~~division~~ before June 1 of
4484 each year for an annual nonwagering license for the next
4485 succeeding calendar year. Such application must set forth the
4486 days and locations at which the permitholder will conduct
4487 nonwagering horseracing and must indicate any changes in
4488 ownership or management of the permitholder occurring since the
4489 date of application for the prior license.

4490 (b) On or before August 1 of each year, the bureau ~~division~~
4491 shall issue a license authorizing the nonwagering permitholder to
4492 conduct nonwagering horseracing during the succeeding calendar
4493 year during the period and for the number of days set forth in
4494 the application, subject to all other provisions of this section.

4495 (c) The bureau ~~division~~ may conduct an eligibility
4496 investigation to determine the qualifications of any new
4497 ownership or management interest in the permit.

4498 (4) Upon the approval of racing dates by the bureau
4499 ~~division~~, the bureau ~~division~~ shall issue an annual nonwagering
4500 license to the nonwagering permitholder.

4501 (5) Only horses registered with an established breed
4502 registration organization, which organization shall be approved
4503 by the bureau ~~division~~, shall be raced at any race meeting
4504 authorized by this section.

4505 (6) The bureau ~~division~~ may order any person participating
4506 in a nonwagering meet to cease and desist from participating in
4507 such meet if the bureau ~~division~~ determines the person to be not

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4508 of good moral character in accordance with s. 550.1815. The
4509 bureau ~~division~~ may order the operators of a nonwagering meet to
4510 cease and desist from operating the meet if the bureau ~~division~~
4511 determines the meet is being operated for any illegal purpose.

4512 Section 73. Subsection (2) of section 550.5251, Florida
4513 Statutes, is amended to read:

4514 550.5251 Florida thoroughbred racing; certain permits;
4515 operating days.--

4516 (2) Each permitholder referred to in subsection (1) shall
4517 annually, during the period commencing December 15 of each year
4518 and ending January 4 of the following year, file in writing with
4519 the bureau ~~division~~ its application to conduct one or more
4520 thoroughbred racing meetings during the thoroughbred racing
4521 season commencing on the following June 1. Each application shall
4522 specify the number and dates of all performances that the
4523 permitholder intends to conduct during that thoroughbred racing
4524 season. On or before February 15 of each year, the bureau
4525 ~~division~~ shall issue a license authorizing each permitholder to
4526 conduct performances on the dates specified in its application.
4527 Up to March 31 of each year, each permitholder may request and
4528 shall be granted changes in its authorized performances; but
4529 thereafter, as a condition precedent to the validity of its
4530 license and its right to retain its permit, each permitholder
4531 must operate the full number of days authorized on each of the
4532 dates set forth in its license.

4533 Section 74. Subsection (3) of section 550.625, Florida
4534 Statutes, is amended to read:

4535 550.625 Intertrack wagering; purses; breeders' awards.--If
4536 a host track is a horse track:

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4537 (3) The payment to a breeders' organization shall be
4538 combined with any other amounts received by the respective
4539 breeders' and owners' associations as so designated. Each
4540 breeders' and owners' association receiving these funds shall be
4541 allowed to withhold the same percentage as set forth in s.
4542 550.2625 to be used for administering the payment of awards and
4543 for the general promotion of their respective industries. If the
4544 total combined amount received for thoroughbred breeders' awards
4545 exceeds 15 percent of the purse required to be paid under
4546 subsection (1), the breeders' and owners' association, as so
4547 designated, notwithstanding any other provision of law, shall
4548 submit a plan to the bureau ~~division~~ for approval which would use
4549 the excess funds in promoting the breeding industry by increasing
4550 the purse structure for Florida-breds. Preference shall be given
4551 to the track generating such excess.

4552 Section 75. Subsection (5) of section 550.6305, Florida
4553 Statutes, is amended to read:

4554 550.6305 Intertrack wagering; guest track payments;
4555 accounting rules.--

4556 (5) The bureau ~~division~~ shall adopt rules providing an
4557 expedient accounting procedure for the transfer of the pari-
4558 mutuel pool in order to properly account for payment of state
4559 taxes, payment to the guest track, payment to the host track,
4560 payment of purses, payment to breeders' associations, payment to
4561 horsemen's associations, and payment to the public.

4562 Section 76. Subsections (1) and (2) of section 550.6308,
4563 Florida Statutes, are amended to read:

4564 550.6308 Limited intertrack wagering license.--In
4565 recognition of the economic importance of the thoroughbred

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4566 breeding industry to this state, its positive impact on tourism,
4567 and of the importance of a permanent thoroughbred sales facility
4568 as a key focal point for the activities of the industry, a
4569 limited license to conduct intertrack wagering is established to
4570 ensure the continued viability and public interest in
4571 thoroughbred breeding in Florida.

4572 (1) Upon application to the bureau ~~division~~ on or before
4573 January 31 of each year, any person that is licensed to conduct
4574 public sales of thoroughbred horses pursuant to s. 535.01, that
4575 has conducted at least 15 days of thoroughbred horse sales at a
4576 permanent sales facility in this state for at least 3 consecutive
4577 years, and that has conducted at least 1 day of nonwagering
4578 thoroughbred racing in this state, with a purse structure of at
4579 least \$250,000 per year for 2 consecutive years before such
4580 application, shall be issued a license, subject to the conditions
4581 set forth in this section, to conduct intertrack wagering at such
4582 a permanent sales facility during the following periods:

4583 (a) Up to 21 days in connection with thoroughbred sales;

4584 (b) Between November 1 and May 8;

4585 (c) Between May 9 and October 31 at such times and on such
4586 days as any thoroughbred, jai alai, or a greyhound permitholder
4587 in the same county is not conducting live performances; provided
4588 that any such permitholder may waive this requirement, in whole
4589 or in part, and allow the licensee under this section to conduct
4590 intertrack wagering during one or more of the permitholder's live
4591 performances; and

4592 (d) During the weekend of the Kentucky Derby, the
4593 Preakness, the Belmont, and a Breeders' Cup Meet that is
4594 conducted before November 1 and after May 8.

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4595
4596 No more than one such license may be issued, and no such license
4597 may be issued for a facility located within 50 miles of any
4598 thoroughbred permitholder's track.

4599 (2) If more than one application is submitted for such
4600 license, the bureau ~~division~~ shall determine which applicant
4601 shall be granted the license. In making its determination, the
4602 bureau ~~division~~ shall grant the license to the applicant
4603 demonstrating superior capabilities, as measured by the length of
4604 time the applicant has been conducting thoroughbred sales within
4605 this state or elsewhere, the applicant's total volume of
4606 thoroughbred horse sales, within this state or elsewhere, the
4607 length of time the applicant has maintained a permanent
4608 thoroughbred sales facility in this state, and the quality of the
4609 facility.

4610 Section 77. Subsection (2) of section 550.70, Florida
4611 Statutes, is amended to read:

4612 550.70 Jai alai general provisions; chief court judges
4613 required; extension of time to construct fronton; amateur jai
4614 alai contests permitted under certain conditions; playing days'
4615 limitations; locking of pari-mutuel machines.--

4616 (2) The time within which the holder of a ratified permit
4617 for jai alai or pelota has to construct and complete a fronton
4618 may be extended by the bureau ~~division~~ for a period of 24 months
4619 after the date of the issuance of the permit, anything to the
4620 contrary in any statute notwithstanding.

4621 Section 78. Subsection (3) of section 550.902, Florida
4622 Statutes, is amended to read:

4623 550.902 Purposes.--The purposes of this compact are to:

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4624 (3) Authorize the Department of Gaming Control ~~Business and~~
4625 ~~Professional Regulation~~ to participate in this compact.

4626 Section 79. Subsection (1) of section 550.907, Florida
4627 Statutes, is amended to read:

4628 550.907 Compact committee.--

4629 (1) There is created an interstate governmental entity to
4630 be known as the "compact committee," which shall be composed of
4631 one official from the racing commission, or the equivalent
4632 thereof, in each party state who shall be appointed, serve, and
4633 be subject to removal in accordance with the laws of the party
4634 state that she or he represents. The official from Florida shall
4635 be appointed by the Gaming Commission ~~Secretary of Business and~~
4636 ~~Professional Regulation~~. Pursuant to the laws of her or his party
4637 state, each official shall have the assistance of her or his
4638 state's racing commission, or the equivalent thereof, in
4639 considering issues related to licensing of participants in pari-
4640 mutuel wagering and in fulfilling her or his responsibilities as
4641 the representative from her or his state to the compact
4642 committee.

4643 Section 80. Section 551.102, Florida Statutes, is amended
4644 to read:

4645 551.102 Definitions.--As used in this chapter, the term:

4646 (1) "Bureau" means the Bureau of Slot Machines within the
4647 Division of Gambling Oversight of the Department of Gaming
4648 Control.

4649 (2) ~~(1)~~ "Distributor" means any person who sells, leases, or
4650 offers or otherwise provides, distributes, or services any slot
4651 machine or associated equipment for use or play of slot machines

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4652 | in this state. A manufacturer may be a distributor within the
4653 | state.

4654 | (3)~~(2)~~ "Designated slot machine gaming area" means the area
4655 | or areas of a facility of a slot machine licensee in which slot
4656 | machine gaming may be conducted in accordance with the provisions
4657 | of this chapter.

4658 | (4)~~(3)~~ "Division" means the Division of Gambling Oversight
4659 | ~~Pari-mutuel Wagering~~ of the Department of Gaming Control ~~Business~~
4660 | ~~and Professional Regulation~~.

4661 | (5)~~(4)~~ "Eligible facility" means any licensed pari-mutuel
4662 | facility located in Miami-Dade County or Broward County existing
4663 | at the time of adoption of s. 23, Art. X of the State
4664 | Constitution that has conducted live racing or games during
4665 | calendar years 2002 and 2003 and has been approved by a majority
4666 | of voters in a countywide referendum to have slot machines at
4667 | such facility in the respective county.

4668 | (6)~~(5)~~ "Manufacturer" means any person who manufactures,
4669 | builds, rebuilds, fabricates, assembles, produces, programs,
4670 | designs, or otherwise makes modifications to any slot machine or
4671 | associated equipment for use or play of slot machines in this
4672 | state for gaming purposes. A manufacturer may be a distributor
4673 | within the state.

4674 | (7)~~(6)~~ "Nonredeemable credits" means slot machine operating
4675 | credits that cannot be redeemed for cash or any other thing of
4676 | value by a slot machine, kiosk, or the slot machine licensee and
4677 | that are provided free of charge to patrons. Such credits do not
4678 | constitute "nonredeemable credits" until such time as they are
4679 | metered as credit into a slot machine and recorded in the
4680 | facility-based monitoring system.

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4681 (8)~~(7)~~ "Progressive system" means a computerized system
4682 linking slot machines in one or more licensed facilities within
4683 this state and offering one or more common progressive payouts
4684 based on the amounts wagered.

4685 (9)~~(8)~~ "Slot machine" means any mechanical or electrical
4686 contrivance, terminal that may or may not be capable of
4687 downloading slot games from a central server system, machine, or
4688 other device that, upon insertion of a coin, bill, ticket, token,
4689 or similar object or upon payment of any consideration
4690 whatsoever, including the use of any electronic payment system
4691 except a credit card or debit card, is available to play or
4692 operate, the play or operation of which, whether by reason of
4693 skill or application of the element of chance or both, may
4694 deliver or entitle the person or persons playing or operating the
4695 contrivance, terminal, machine, or other device to receive cash,
4696 billets, tickets, tokens, or electronic credits to be exchanged
4697 for cash or to receive merchandise or anything of value
4698 whatsoever, whether the payoff is made automatically from the
4699 machine or manually. The term includes associated equipment
4700 necessary to conduct the operation of the contrivance, terminal,
4701 machine, or other device. Slot machines may use spinning reels,
4702 video displays, or both. A slot machine is not a "coin-operated
4703 amusement machine" as defined in s. 212.02(24) or an amusement
4704 game or machine as described in s. 849.161, and slot machines are
4705 not subject to the tax imposed by s. 212.05(1)(h).

4706 (10)~~(9)~~ "Slot machine facility" means a facility at which
4707 slot machines as defined in this chapter are lawfully offered for
4708 play.

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4709 (11)~~(10)~~ "Slot machine license" means a license issued by
4710 the bureau ~~division~~ authorizing a pari-mutuel permitholder to
4711 place and operate slot machines as provided by s. 23, Art. X of
4712 the State Constitution, the provisions of this chapter, and
4713 bureau ~~division~~ rules.

4714 (12)~~(11)~~ "Slot machine licensee" means a pari-mutuel
4715 permitholder who holds a license issued by the bureau ~~division~~
4716 pursuant to this chapter that authorizes such person to possess a
4717 slot machine within facilities specified in s. 23, Art. X of the
4718 State Constitution and allows slot machine gaming.

4719 (13)~~(12)~~ "Slot machine operator" means a person employed or
4720 contracted by the owner of a licensed facility to conduct slot
4721 machine gaming at that licensed facility.

4722 (14)~~(13)~~ "Slot machine revenues" means the total of all
4723 cash and property, except nonredeemable credits, received by the
4724 slot machine licensee from the operation of slot machines less
4725 the amount of cash, cash equivalents, credits, and prizes paid to
4726 winners of slot machine gaming.

4727 Section 81. Section 551.103, Florida Statutes, is amended
4728 to read:

4729 551.103 Powers and duties of the bureau ~~division~~ and law
4730 enforcement.--

4731 (1) The bureau ~~division~~ shall adopt, pursuant to the
4732 provisions of ss. 120.536(1) and 120.54, all rules necessary to
4733 implement, administer, and regulate slot machine gaming as
4734 authorized in this chapter. Such rules must include:

4735 (a) Procedures for applying for a slot machine license and
4736 renewal of a slot machine license.

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4737 (b) Technical requirements and the qualifications contained
4738 in this chapter that are necessary to receive a slot machine
4739 license or slot machine occupational license.

4740 (c) Procedures to scientifically test and technically
4741 evaluate slot machines for compliance with this chapter. The
4742 bureau ~~division~~ may contract with an independent testing
4743 laboratory to conduct any necessary testing under this section.
4744 The independent testing laboratory must have a national
4745 reputation which is demonstrably competent and qualified to
4746 scientifically test and evaluate slot machines for compliance
4747 with this chapter and to otherwise perform the functions assigned
4748 to it in this chapter. An independent testing laboratory shall
4749 not be owned or controlled by a licensee. The use of an
4750 independent testing laboratory for any purpose related to the
4751 conduct of slot machine gaming by a licensee under this chapter
4752 shall be made from a list of one or more laboratories approved by
4753 the bureau ~~division~~.

4754 (d) Procedures relating to slot machine revenues, including
4755 verifying and accounting for such revenues, auditing, and
4756 collecting taxes and fees consistent with this chapter.

4757 (e) Procedures for regulating, managing, and auditing the
4758 operation, financial data, and program information relating to
4759 slot machine gaming that allow the bureau ~~division~~ and the
4760 Division of Licensing and ~~Department of Law Enforcement~~ to audit
4761 the operation, financial data, and program information of a slot
4762 machine licensee, as required by the bureau ~~division~~ or the
4763 Division of Licensing and ~~Department of Law Enforcement~~, and
4764 provide the bureau ~~division~~ and the Division of Licensing and
4765 ~~Department of Law Enforcement~~ with the ability to monitor, at any

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4766 time on a real-time basis, wagering patterns, payouts, tax
4767 collection, and compliance with any rules adopted by the bureau
4768 ~~division~~ for the regulation and control of slot machines operated
4769 under this chapter. Such continuous and complete access, at any
4770 time on a real-time basis, shall include the ability of either
4771 the bureau ~~division~~ or the Division of Licensing and ~~Department~~
4772 ~~of Law Enforcement~~ to suspend play immediately on particular slot
4773 machines if monitoring of the facilities-based computer system
4774 indicates possible tampering or manipulation of those slot
4775 machines or the ability to suspend play immediately of the entire
4776 operation if the tampering or manipulation is of the computer
4777 system itself. The bureau ~~division~~ shall notify the Division of
4778 Licensing and ~~Department of Law Enforcement~~ or the Division of
4779 Licensing and ~~Department of Law Enforcement~~ shall notify the
4780 bureau ~~division~~, as appropriate, whenever there is a suspension
4781 of play under this paragraph. The bureau ~~division~~ and the
4782 Division of Licensing and ~~Department of Law Enforcement~~ shall
4783 exchange such information necessary for and cooperate in the
4784 investigation of the circumstances requiring suspension of play
4785 under this paragraph.

4786 (f) Procedures for requiring each licensee at his or her
4787 own cost and expense to supply the bureau ~~division~~ with a bond
4788 having the penal sum of \$2 million payable to the Governor and
4789 his or her successors in office for each year of the licensee's
4790 slot machine operations. Any bond shall be issued by a surety or
4791 sureties approved by the bureau ~~division~~ and the Chief Financial
4792 Officer, conditioned to faithfully make the payments to the Chief
4793 Financial Officer in his or her capacity as treasurer of the
4794 bureau ~~division~~. The licensee shall be required to keep its books

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4795 and records and make reports as provided in this chapter and to
4796 conduct its slot machine operations in conformity with this
4797 chapter and all other provisions of law. Such bond shall be
4798 separate and distinct from the bond required in s. 550.125.

4799 (g) Procedures for requiring licensees to maintain
4800 specified records and submit any data, information, record, or
4801 report, including financial and income records, required by this
4802 chapter or determined by the bureau ~~division~~ to be necessary to
4803 the proper implementation and enforcement of this chapter.

4804 (h) A requirement that the payout percentage of a slot
4805 machine be no less than 85 percent.

4806 (i) Minimum standards for security of the facilities,
4807 including floor plans, security cameras, and other security
4808 equipment.

4809 (j) Procedures for requiring slot machine licensees to
4810 implement and establish drug-testing programs for all slot
4811 machine occupational licensees.

4812 (2) The bureau ~~division~~ shall conduct such investigations
4813 necessary to fulfill its responsibilities under the provisions of
4814 this chapter.

4815 (3) The Division of Licensing and ~~Department of Law~~
4816 Enforcement and local law enforcement agencies shall have
4817 concurrent jurisdiction to investigate criminal violations of
4818 this chapter and may investigate any other criminal violation of
4819 law occurring at the facilities of a slot machine licensee, and
4820 such investigations may be conducted in conjunction with the
4821 appropriate state attorney.

4822 (4) (a) The bureau ~~division~~, the Division of Licensing and
4823 ~~Department of Law~~ Enforcement, and local law enforcement agencies

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4824 shall have unrestricted access to the slot machine licensee's
4825 facility at all times and shall require of each slot machine
4826 licensee strict compliance with the laws of this state relating
4827 to the transaction of such business. The bureau ~~division~~, the
4828 Division of Licensing and ~~Department of Law Enforcement~~, and
4829 local law enforcement agencies may:

4830 1. Inspect and examine premises where slot machines are
4831 offered for play.

4832 2. Inspect slot machines and related equipment and
4833 supplies.

4834 (b) In addition, the bureau ~~division~~ may:

4835 1. Collect taxes, assessments, fees, and penalties.

4836 2. Deny, revoke, suspend, or place conditions on the
4837 license of a person who violates any provision of this chapter or
4838 rule adopted pursuant thereto.

4839 (5) The bureau ~~division~~ shall revoke or suspend the license
4840 of any person who is no longer qualified or who is found, after
4841 receiving a license, to have been unqualified at the time of
4842 application for the license.

4843 (6) This section does not:

4844 (a) Prohibit the Division of Licensing and ~~Department of~~
4845 ~~Law Enforcement~~ or any law enforcement authority whose
4846 jurisdiction includes a licensed facility from conducting
4847 investigations of criminal activities occurring at the facility
4848 of the slot machine licensee;

4849 (b) Restrict access to the slot machine licensee's facility
4850 by the Division of Licensing and ~~Department of Law Enforcement~~ or
4851 any local law enforcement authority whose jurisdiction includes
4852 the slot machine licensee's facility; or

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4853 (c) Restrict access by the Division of Licensing and
4854 ~~Department of Law~~ Enforcement or local law enforcement
4855 authorities to information and records necessary to the
4856 investigation of criminal activity that are contained within the
4857 slot machine licensee's facility.

4858 Section 82. Section 551.104, Florida Statutes, is amended
4859 to read:

4860 551.104 License to conduct slot machine gaming.--

4861 (1) Upon application and a finding by the bureau division
4862 after investigation that the application is complete and the
4863 applicant is qualified and payment of the initial license fee,
4864 the bureau division may issue a license to conduct slot machine
4865 gaming in the designated slot machine gaming area of the eligible
4866 facility. Once licensed, slot machine gaming may be conducted
4867 subject to the requirements of this chapter and rules adopted
4868 pursuant thereto.

4869 (2) An application may be approved by the bureau division
4870 only after the voters of the county where the applicant's
4871 facility is located have authorized by referendum slot machines
4872 within pari-mutuel facilities in that county as specified in s.
4873 23, Art. X of the State Constitution.

4874 (3) A slot machine license may be issued only to a licensed
4875 pari-mutuel permitholder, and slot machine gaming may be
4876 conducted only at the eligible facility at which the permitholder
4877 is authorized under its valid pari-mutuel wagering permit to
4878 conduct pari-mutuel wagering activities.

4879 (4) As a condition of licensure and to maintain continued
4880 authority for the conduct of slot machine gaming, the slot
4881 machine licensee shall:

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- 4882 (a) Continue to be in compliance with this chapter.
- 4883 (b) Continue to be in compliance with chapter 550, where
4884 applicable, and maintain the pari-mutuel permit and license in
4885 good standing pursuant to the provisions of chapter 550.
4886 Notwithstanding any contrary provision of law and in order to
4887 expedite the operation of slot machines at eligible facilities,
4888 any eligible facility shall be entitled within 60 days after the
4889 effective date of this act to amend its 2006-2007 pari-mutuel
4890 wagering operating license issued by the bureau ~~division~~ under
4891 ss. 550.0115 and 550.01215. The bureau ~~division~~ shall issue a new
4892 license to the eligible facility to effectuate any approved
4893 change.
- 4894 (c) Conduct no fewer than a full schedule of live racing or
4895 games as defined in s. 550.002(11). A permit holder's
4896 responsibility to conduct such number of live races or games
4897 shall be reduced by the number of races or games that could not
4898 be conducted due to the direct result of fire, war, hurricane, or
4899 other disaster or event beyond the control of the permit holder.
- 4900 (d) Upon approval of any changes relating to the pari-
4901 mutuel permit by the bureau ~~division~~, be responsible for
4902 providing appropriate current and accurate documentation on a
4903 timely basis to the bureau ~~division~~ in order to continue the slot
4904 machine license in good standing. Changes in ownership or
4905 interest of a slot machine license of 5 percent or more of the
4906 stock or other evidence of ownership or equity in the slot
4907 machine license or any parent corporation or other business
4908 entity that in any way owns or controls the slot machine license
4909 shall be approved by the bureau ~~division~~ prior to such change,
4910 unless the owner is an existing holder of that license who was

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4911 | previously approved by the bureau ~~division~~. Changes in ownership
4912 | or interest of a slot machine license of less than 5 percent,
4913 | unless such change results in a cumulative total of 5 percent or
4914 | more, shall be reported to the bureau ~~division~~ within 20 days
4915 | after the change. The bureau ~~division~~ may then conduct an
4916 | investigation to ensure that the license is properly updated to
4917 | show the change in ownership or interest. No reporting is
4918 | required if the person is holding 5 percent or less equity or
4919 | securities of a corporate owner of the slot machine licensee that
4920 | has its securities registered pursuant to s. 12 of the Securities
4921 | Exchange Act of 1934, 15 U.S.C. ss. 78a-78kk, and if such
4922 | corporation or entity files with the United States Securities and
4923 | Exchange Commission the reports required by s. 13 of that act or
4924 | if the securities of the corporation or entity are regularly
4925 | traded on an established securities market in the United States.
4926 | A change in ownership or interest of less than 5 percent which
4927 | results in a cumulative ownership or interest of 5 percent or
4928 | more shall be approved by the bureau ~~division~~ prior to such
4929 | change unless the owner is an existing holder of the license who
4930 | was previously approved by the bureau ~~division~~.

4931 | (e) Allow the bureau ~~division~~ and the Division of Licensing
4932 | and Department of Law Enforcement unrestricted access to and
4933 | right of inspection of facilities of a slot machine licensee in
4934 | which any activity relative to the conduct of slot machine gaming
4935 | is conducted.

4936 | (f) Ensure that the facilities-based computer system that
4937 | the licensee will use for operational and accounting functions of
4938 | the slot machine facility is specifically structured to
4939 | facilitate regulatory oversight. The facilities-based computer

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4940 system shall be designed to provide the bureau ~~division~~ and the
4941 Division of Licensing and ~~Department of Law~~ Enforcement with the
4942 ability to monitor, at any time on a real-time basis, the
4943 wagering patterns, payouts, tax collection, and such other
4944 operations as necessary to determine whether the facility is in
4945 compliance with statutory provisions and rules adopted by the
4946 bureau ~~division~~ for the regulation and control of slot machine
4947 gaming. The bureau ~~division~~ and the Division of Licensing and
4948 ~~Department of Law~~ Enforcement shall have complete and continuous
4949 access to this system. Such access shall include the ability of
4950 either the bureau ~~division~~ or the Division of Licensing and
4951 ~~Department of Law~~ Enforcement to suspend play immediately on
4952 particular slot machines if monitoring of the system indicates
4953 possible tampering or manipulation of those slot machines or the
4954 ability to suspend play immediately of the entire operation if
4955 the tampering or manipulation is of the computer system itself.
4956 The computer system shall be reviewed and approved by the bureau
4957 ~~division~~ to ensure necessary access, security, and functionality.
4958 The bureau ~~division~~ may adopt rules to provide for the approval
4959 process.

4960 (g) Ensure that each slot machine is protected from
4961 manipulation or tampering to affect the random probabilities of
4962 winning plays. The bureau ~~division~~ or the Division of Licensing
4963 and ~~Department of Law~~ Enforcement shall have the authority to
4964 suspend play upon reasonable suspicion of any manipulation or
4965 tampering. When play has been suspended on any slot machine, the
4966 bureau ~~division~~ or the Division of Licensing and ~~Department of~~
4967 ~~Law~~ Enforcement may examine any slot machine to determine whether

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4968 the machine has been tampered with or manipulated and whether the
4969 machine should be returned to operation.

4970 (h) Submit a security plan, including the facilities' floor
4971 plan, the locations of security cameras, and a listing of all
4972 security equipment that is capable of observing and
4973 electronically recording activities being conducted in the
4974 facilities of the slot machine licensee. The security plan must
4975 meet the minimum security requirements as determined by the
4976 bureau ~~division~~ under s. 551.103(1)(i) and be implemented prior
4977 to operation of slot machine gaming. The slot machine licensee's
4978 facilities must adhere to the security plan at all times. Any
4979 changes to the security plan must be submitted by the licensee to
4980 the bureau ~~division~~ prior to implementation. The bureau ~~division~~
4981 shall furnish copies of the security plan and changes in the plan
4982 to the Division of Licensing and ~~Department of Law~~ Enforcement.

4983 (i) Create and file with the bureau ~~division~~ a written
4984 policy for:

4985 1. Creating opportunities to purchase from vendors in this
4986 state, including minority vendors.

4987 2. Creating opportunities for employment of residents of
4988 this state, including minority residents.

4989 3. Ensuring opportunities for construction services from
4990 minority contractors.

4991 4. Ensuring that opportunities for employment are offered
4992 on an equal, nondiscriminatory basis.

4993 5. Training for employees on responsible gaming and working
4994 with a compulsive or addictive gambling prevention program to
4995 further its purposes as provided for in s. 551.118.

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4996 6. The implementation of a drug-testing program that
4997 includes, but is not limited to, requiring each employee to sign
4998 an agreement that he or she understands that the slot machine
4999 facility is a drug-free workplace.

5000
5001 The slot machine licensee shall use the Internet-based job-
5002 listing system of the Agency for Workforce Innovation in
5003 advertising employment opportunities. Beginning in June 2007,
5004 each slot machine licensee shall provide an annual report to the
5005 bureau ~~division~~ containing information indicating compliance with
5006 this paragraph in regard to minority persons.

5007 (j) Ensure that the payout percentage of a slot machine is
5008 no less than 85 percent.

5009 (5) A slot machine license is not transferable.

5010 (6) A slot machine licensee shall keep and maintain
5011 permanent daily records of its slot machine operation and shall
5012 maintain such records for a period of not less than 5 years.
5013 These records must include all financial transactions and contain
5014 sufficient detail to determine compliance with the requirements
5015 of this chapter. All records shall be available for audit and
5016 inspection by the bureau ~~division~~, the Division of Licensing and
5017 ~~Department of Law~~ Enforcement, or other law enforcement agencies
5018 during the licensee's regular business hours.

5019 (7) A slot machine licensee shall file with the bureau
5020 ~~division~~ a monthly report containing the required records of such
5021 slot machine operation. The required reports shall be submitted
5022 on forms prescribed by the bureau ~~division~~ and shall be due at
5023 the same time as the monthly pari-mutuel reports are due to the

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5024 bureau ~~division~~, and the reports shall be deemed public records
5025 once filed.

5026 (8) A slot machine licensee shall file with the bureau
5027 ~~division~~ an audit of the receipt and distribution of all slot
5028 machine revenues provided by an independent certified public
5029 accountant verifying compliance with all financial and auditing
5030 provisions of this chapter and the associated rules adopted under
5031 this chapter. The audit must include verification of compliance
5032 with all statutes and rules regarding all required records of
5033 slot machine operations. Such audit shall be filed within 60 days
5034 after the completion of the permit holder's pari-mutuel meet.

5035 (9) The bureau ~~division~~ may share any information with the
5036 Division of Licensing and ~~Department of Law~~ Enforcement, any
5037 other law enforcement agency having jurisdiction over slot
5038 machine gaming or pari-mutuel activities, or any other state or
5039 federal law enforcement agency the bureau ~~division~~ or the
5040 Division of Licensing and ~~Department of Law~~ Enforcement deems
5041 appropriate. Any law enforcement agency having jurisdiction over
5042 slot machine gaming or pari-mutuel activities may share any
5043 information obtained or developed by it with the bureau ~~division~~.

5044 (10) (a) A ~~No~~ slot machine license or renewal thereof may
5045 not ~~shall~~ be issued to an applicant holding a permit under
5046 chapter 550 to conduct pari-mutuel wagering meets of thoroughbred
5047 racing unless the applicant has on file with the bureau ~~division~~
5048 a binding written agreement between the applicant and the Florida
5049 Horsemen's Benevolent and Protective Association, Inc., governing
5050 the payment of purses on live thoroughbred races conducted at the
5051 licensee's pari-mutuel facility. In addition, a ~~no~~ slot machine
5052 license or renewal thereof may not ~~shall~~ be issued to such an

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5053 applicant unless the applicant has on file with the bureau
5054 ~~division~~ a binding written agreement between the applicant and
5055 the Florida Thoroughbred Breeders' Association, Inc., governing
5056 the payment of breeders', stallion, and special racing awards on
5057 live thoroughbred races conducted at the licensee's pari-mutuel
5058 facility. The agreement governing purses and the agreement
5059 governing awards may direct the payment of such purses and awards
5060 from revenues generated by any wagering or gaming the applicant
5061 is authorized to conduct under Florida law. All purses and awards
5062 shall be subject to the terms of chapter 550. All sums for
5063 breeders', stallion, and special racing awards shall be remitted
5064 monthly to the Florida Thoroughbred Breeders' Association, Inc.,
5065 for the payment of awards subject to the administrative fee
5066 authorized in s. 550.2625(3).

5067 (b) The bureau ~~division~~ shall suspend a slot machine
5068 license if one or more of the agreements required under paragraph
5069 (a) are terminated or otherwise cease to operate or if the bureau
5070 ~~division~~ determines that the licensee is materially failing to
5071 comply with the terms of such an agreement. Any such suspension
5072 shall take place in accordance with chapter 120.

5073 (c)1. If an agreement required under paragraph (a) cannot
5074 be reached prior to the initial issuance of the slot machine
5075 license, either party may request arbitration or, in the case of
5076 a renewal, if an agreement required under paragraph (a) is not in
5077 place 120 days prior to the scheduled expiration date of the slot
5078 machine license, the applicant shall immediately ask the American
5079 Arbitration Association to furnish a list of 11 arbitrators, each
5080 of whom shall have at least 5 years of commercial arbitration
5081 experience and no financial interest in or prior relationship

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5082 | with any of the parties or their affiliated or related entities
5083 | or principals. Each required party to the agreement shall select
5084 | a single arbitrator from the list provided by the American
5085 | Arbitration Association within 10 days of receipt, and the
5086 | individuals so selected shall choose one additional arbitrator
5087 | from the list within the next 10 days.

5088 | 2. If an agreement required under paragraph (a) is not in
5089 | place 60 days after the request under subparagraph 1. in the case
5090 | of an initial slot machine license or, in the case of a renewal,
5091 | 60 days prior to the scheduled expiration date of the slot
5092 | machine license, the matter shall be immediately submitted to
5093 | mandatory binding arbitration to resolve the disagreement between
5094 | the parties. The three arbitrators selected pursuant to
5095 | subparagraph 1. shall constitute the panel that shall arbitrate
5096 | the dispute between the parties pursuant to the American
5097 | Arbitration Association Commercial Arbitration Rules and chapter
5098 | 682.

5099 | 3. At the conclusion of the proceedings, which shall be no
5100 | later than 90 days after the request under subparagraph 1. in the
5101 | case of an initial slot machine license or, in the case of a
5102 | renewal, 30 days prior to the scheduled expiration date of the
5103 | slot machine license, the arbitration panel shall present to the
5104 | parties a proposed agreement that the majority of the panel
5105 | believes equitably balances the rights, interests, obligations,
5106 | and reasonable expectations of the parties. The parties shall
5107 | immediately enter into such agreement, which shall satisfy the
5108 | requirements of paragraph (a) and permit issuance of the pending
5109 | annual slot machine license or renewal. The agreement produced by
5110 | the arbitration panel under this subparagraph shall be effective

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5111 | until the last day of the license or renewal period or until the
5112 | parties enter into a different agreement. Each party shall pay
5113 | its respective costs of arbitration and shall pay one-half of the
5114 | costs of the arbitration panel, unless the parties otherwise
5115 | agree. If the agreement produced by the arbitration panel under
5116 | this subparagraph remains in place 120 days prior to the
5117 | scheduled issuance of the next annual license renewal, then the
5118 | arbitration process established in this paragraph will begin
5119 | again.

5120 | 4. In the event that neither of the agreements required
5121 | under paragraph (a) are in place by the deadlines established in
5122 | this paragraph, arbitration regarding each agreement will proceed
5123 | independently, with separate lists of arbitrators, arbitration
5124 | panels, arbitration proceedings, and resulting agreements.

5125 | 5. With respect to the agreement required under paragraph
5126 | (a) governing the payment of purses, the arbitration and
5127 | resulting agreement called for under this paragraph shall be
5128 | limited to the payment of purses from slot machine revenues only.

5129 | (d) If any provision of this subsection or its application
5130 | to any person or circumstance is held invalid, the invalidity
5131 | does not affect other provisions or applications of this
5132 | subsection or chapter which can be given effect without the
5133 | invalid provision or application, and to this end the provisions
5134 | of this subsection are severable.

5135 | Section 83. Section 551.1045, Florida Statutes, is amended
5136 | to read:

5137 | 551.1045 Temporary licenses.--

5138 | (1) Notwithstanding any provision of s. 120.60 to the
5139 | contrary, the bureau ~~division~~ may issue a temporary occupational

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5140 license upon the receipt of a complete application from the
5141 applicant and a determination that the applicant has not been
5142 convicted of or had adjudication withheld on any disqualifying
5143 criminal offense. The temporary occupational license remains
5144 valid until such time as the bureau ~~division~~ grants an
5145 occupational license or notifies the applicant of its intended
5146 decision to deny the applicant a license pursuant to the
5147 provisions of s. 120.60. The bureau ~~division~~ shall adopt rules to
5148 administer this subsection. However, not more than one temporary
5149 license may be issued for any person in any year.

5150 (2) A temporary license issued under this section is
5151 nontransferable.

5152 Section 84. Subsection (3) of section 551.105, Florida
5153 Statutes, is amended to read:

5154 551.105 Slot machine license renewal.--

5155 (3) Upon determination by the bureau ~~division~~ that the
5156 application for renewal is complete and qualifications have been
5157 met, including payment of the renewal fee, the slot machine
5158 license shall be renewed annually.

5159 Section 85. Section 551.106, Florida Statutes, is amended
5160 to read:

5161 551.106 License fee; tax rate; penalties.--

5162 (1) LICENSE FEE.--

5163 (a) Upon submission of the initial application for a slot
5164 machine license and annually thereafter, on the anniversary date
5165 of the issuance of the initial license, the licensee must pay to
5166 the bureau ~~division~~ a nonrefundable license fee of \$3 million for
5167 the succeeding 12 months of licensure. The license fee shall be
5168 deposited into the Pari-mutuel Wagering Trust Fund of the

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5169 Department of Gaming Control ~~Business and Professional Regulation~~
5170 to be used by the bureau ~~division~~ and the Division of Licensing
5171 and Department of Law Enforcement for investigations, regulation
5172 of slot machine gaming, and enforcement of slot machine gaming
5173 provisions under this chapter. These payments shall be accounted
5174 for separately from taxes or fees paid pursuant to the provisions
5175 of chapter 550.

5176 (b) Prior to January 1, 2007, the division shall evaluate
5177 the license fee and shall make recommendations to the President
5178 of the Senate and the Speaker of the House of Representatives
5179 regarding the optimum level of slot machine license fees in order
5180 to adequately support the slot machine regulatory program.

5181 (2) TAX ON SLOT MACHINE REVENUES.--

5182 (a) The tax rate on slot machine revenues at each facility
5183 shall be 50 percent.

5184 (b) The slot machine revenue tax imposed by this section
5185 shall be paid to the bureau ~~division~~ for deposit into the Pari-
5186 mutuel Wagering Trust Fund for immediate transfer by the Chief
5187 Financial Officer for deposit into the Educational Enhancement
5188 Trust Fund of the Department of Education. Any interest earnings
5189 on the tax revenues shall also be transferred to the Educational
5190 Enhancement Trust Fund.

5191 (c)1. Funds transferred to the Educational Enhancement
5192 Trust Fund under paragraph (b) shall be used to supplement public
5193 education funding statewide.

5194 2. If necessary to comply with any covenant established
5195 pursuant to s. 1013.68(4), s. 1013.70(1), or s. 1013.737(3),
5196 funds transferred to the Educational Enhancement Trust Fund under
5197 paragraph (b) shall first be available to pay debt service on

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5198 lottery bonds issued to fund school construction in the event
5199 lottery revenues are insufficient for such purpose or to satisfy
5200 debt service reserve requirements established in connection with
5201 lottery bonds. Moneys available pursuant to this subparagraph are
5202 subject to annual appropriation by the Legislature.

5203 (3) PAYMENT AND DISPOSITION OF TAXES.--Payment for the tax
5204 on slot machine revenues imposed by this section shall be paid to
5205 the bureau ~~division~~. The bureau ~~division~~ shall deposit these sums
5206 with the Chief Financial Officer, to the credit of the Pari-
5207 mutuel Wagering Trust Fund. The slot machine licensee shall remit
5208 to the bureau ~~division~~ payment for the tax on slot machine
5209 revenues. Such payments shall be remitted by 3 p.m. Wednesday of
5210 each week for taxes imposed and collected for the preceding week
5211 ending on Sunday. The slot machine licensee shall file a report
5212 under oath by the 5th day of each calendar month for all taxes
5213 remitted during the preceding calendar month. Such payments shall
5214 be accompanied by a report under oath showing all slot machine
5215 gaming activities for the preceding calendar month and such other
5216 information as may be prescribed by the bureau ~~division~~.

5217 (4) FAILURE TO PAY TAX; PENALTIES.--A slot machine licensee
5218 who fails to make tax payments as required under this section is
5219 subject to an administrative penalty of up to \$10,000 for each
5220 day the tax payment is not remitted. All administrative penalties
5221 imposed and collected shall be deposited into the Pari-mutuel
5222 Wagering Trust Fund of the Department of Gaming Control ~~Business~~
5223 ~~and Professional Regulation~~. If any slot machine licensee fails
5224 to pay penalties imposed by order of the bureau ~~division~~ under
5225 this subsection, the bureau ~~division~~ may suspend, revoke, or
5226 refuse to renew the license of the slot machine licensee.

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5227 (5) SUBMISSION OF FUNDS.--The bureau ~~division~~ may require
5228 slot machine licensees to remit taxes, fees, fines, and
5229 assessments by electronic funds transfer.

5230 Section 86. Subsections (2), (3), (4), (5), (6), (7), (8),
5231 (9), (10), and (11) of section 551.107, Florida Statutes, are
5232 amended to read:

5233 551.107 Slot machine occupational license; findings;
5234 application; fee.--

5235 (2)(a) The following slot machine occupational licenses
5236 shall be issued to persons or entities that, by virtue of the
5237 positions they hold, might be granted access to slot machine
5238 gaming areas or to any other person or entity in one of the
5239 following categories:

5240 1. General occupational licenses for general employees,
5241 including food service, maintenance, and other similar service
5242 and support employees having access to the slot machine gaming
5243 area.

5244 2. Professional occupational licenses for any person,
5245 proprietorship, partnership, corporation, or other entity that is
5246 authorized by a slot machine licensee to manage, oversee, or
5247 otherwise control daily operations as a slot machine manager, a
5248 floor supervisor, security personnel, or any other similar
5249 position of oversight of gaming operations, or any person who is
5250 not an employee of the slot machine licensee and who provides
5251 maintenance, repair, or upgrades or otherwise services a slot
5252 machine or other slot machine equipment.

5253 3. Business occupational licenses for any slot machine
5254 management company or company associated with slot machine
5255 gaming, any person who manufactures, distributes, or sells slot

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5256 machines, slot machine paraphernalia, or other associated
5257 equipment to slot machine licensees, or any company that sells or
5258 provides goods or services associated with slot machine gaming to
5259 slot machine licensees.

5260 (b) The bureau ~~division~~ may issue one license to combine
5261 licenses under this section with pari-mutuel occupational
5262 licenses and cardroom licenses pursuant to s. 550.105(2)(b). The
5263 bureau ~~division~~ shall adopt rules pertaining to occupational
5264 licenses under this subsection. Such rules may specify, but need
5265 not be limited to, requirements and restrictions for licensed
5266 occupations and categories, procedures to apply for any license
5267 or combination of licenses, disqualifying criminal offenses for a
5268 licensed occupation or categories of occupations, and which types
5269 of occupational licenses may be combined into a single license
5270 under this section. The fingerprinting requirements of subsection
5271 (7) apply to any combination license that includes slot machine
5272 license privileges under this section. The bureau ~~division~~ may
5273 not adopt a rule allowing the issuance of an occupational license
5274 to any person who does not meet the minimum background
5275 qualifications under this section.

5276 (c) Slot machine occupational licenses are not
5277 transferable.

5278 (3) A slot machine licensee may not employ or otherwise
5279 allow a person to work at a licensed facility unless such person
5280 holds the appropriate valid occupational license. A slot machine
5281 licensee may not contract or otherwise do business with a
5282 business required to hold a slot machine occupational license
5283 unless the business holds such a license. A slot machine licensee
5284 may not employ or otherwise allow a person to work in a

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5285 supervisory or management professional level at a licensed
5286 facility unless such person holds a valid slot machine
5287 occupational license. All slot machine occupational licensees,
5288 while present in slot machine gaming areas, shall display on
5289 their persons their occupational license identification cards.

5290 (4) (a) A person seeking a slot machine occupational license
5291 or renewal thereof shall make application on forms prescribed by
5292 the bureau ~~division~~ and include payment of the appropriate
5293 application fee. Initial and renewal applications for slot
5294 machine occupational licenses must contain all information that
5295 the bureau ~~division~~, by rule, determines is required to ensure
5296 eligibility.

5297 (b) A slot machine license or combination license is valid
5298 for the same term as a pari-mutuel occupational license issued
5299 pursuant to s. 550.105(1).

5300 (c) Pursuant to rules adopted by the bureau ~~division~~, any
5301 person may apply for and, if qualified, be issued a slot machine
5302 occupational license valid for a period of 3 years upon payment
5303 of the full occupational license fee for each of the 3 years for
5304 which the license is issued. The slot machine occupational
5305 license is valid during its specified term at any licensed
5306 facility where slot machine gaming is authorized to be conducted.

5307 (d) The slot machine occupational license fee for initial
5308 application and annual renewal shall be determined by rule of the
5309 bureau ~~division~~ but may not exceed \$50 for a general or
5310 professional occupational license for an employee of the slot
5311 machine licensee or \$1,000 for a business occupational license
5312 for nonemployees of the licensee providing goods or services to
5313 the slot machine licensee. License fees for general occupational

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5314 | licensees shall be paid by the slot machine licensee. Failure to
5315 | pay the required fee constitutes grounds for disciplinary action
5316 | by the bureau ~~division~~ against the slot machine licensee, but it
5317 | is not a violation of this chapter or rules of the bureau
5318 | ~~division~~ by the general occupational licensee and does not
5319 | prohibit the initial issuance or the renewal of the general
5320 | occupational license.

5321 | (5) The bureau ~~division~~ may:

5322 | (a) Deny an application for, or revoke, suspend, or place
5323 | conditions or restrictions on, a license of a person or entity
5324 | that has been refused a license by any other state gaming
5325 | commission, governmental department, agency, or other authority
5326 | exercising regulatory jurisdiction over the gaming of another
5327 | state or jurisdiction; or

5328 | (b) Deny an application for, or suspend or place conditions
5329 | on, a license of any person or entity that is under suspension or
5330 | has unpaid fines in another state or jurisdiction.

5331 | (6) (a) The bureau ~~division~~ may deny, suspend, revoke, or
5332 | refuse to renew any slot machine occupational license if the
5333 | applicant for such license or the licensee has violated the
5334 | provisions of this chapter or the rules of the bureau ~~division~~
5335 | governing the conduct of persons connected with slot machine
5336 | gaming. In addition, the bureau ~~division~~ may deny, suspend,
5337 | revoke, or refuse to renew any slot machine occupational license
5338 | if the applicant for such license or the licensee has been
5339 | convicted in this state, in any other state, or under the laws of
5340 | the United States of a capital felony, a felony, or an offense in
5341 | any other state that would be a felony under the laws of this
5342 | state involving arson; trafficking in, conspiracy to traffic in,

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5343 | smuggling, importing, conspiracy to smuggle or import, or
5344 | delivery, sale, or distribution of a controlled substance;
5345 | racketeering; or a crime involving a lack of good moral
5346 | character, or has had a gaming license revoked by this state or
5347 | any other jurisdiction for any gaming-related offense.

5348 | (b) The bureau ~~division~~ may deny, revoke, or refuse to
5349 | renew any slot machine occupational license if the applicant for
5350 | such license or the licensee has been convicted of a felony or
5351 | misdemeanor in this state, in any other state, or under the laws
5352 | of the United States if such felony or misdemeanor is related to
5353 | gambling or bookmaking as described in s. 849.25.

5354 | (c) For purposes of this subsection, the term "convicted"
5355 | means having been found guilty, with or without adjudication of
5356 | guilt, as a result of a jury verdict, nonjury trial, or entry of
5357 | a plea of guilty or nolo contendere.

5358 | (7) Fingerprints for all slot machine occupational license
5359 | applications shall be taken in a manner approved by the bureau
5360 | ~~division~~ and shall be submitted electronically to the Division of
5361 | Licensing and ~~Department of Law~~ Enforcement for state processing
5362 | and the Federal Bureau of Investigation for national processing
5363 | for a criminal history record check. All persons as specified in
5364 | s. 550.1815(1)(a) employed by or working within a licensed
5365 | premises shall submit fingerprints for a criminal history record
5366 | check and may not have been convicted of any disqualifying
5367 | criminal offenses specified in subsection (6). Bureau ~~Division~~
5368 | employees and law enforcement officers assigned by their
5369 | employing agencies to work within the premises as part of their
5370 | official duties are excluded from the criminal history record
5371 | check requirements under this subsection. For purposes of this

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5372 subsection, the term "convicted" means having been found guilty,
5373 with or without adjudication of guilt, as a result of a jury
5374 verdict, nonjury trial, or entry of a plea of guilty or nolo
5375 contendere.

5376 (a) Fingerprints shall be taken in a manner approved by the
5377 bureau ~~division~~ upon initial application, or as required
5378 thereafter by rule of the bureau ~~division~~, and shall be submitted
5379 electronically to the Department of Law Enforcement for state
5380 processing. The Division of Licensing and ~~Department of Law~~
5381 Enforcement shall forward the fingerprints to the Federal Bureau
5382 of Investigation for national processing. The results of the
5383 criminal history record check shall be returned to the bureau
5384 ~~division~~ for purposes of screening. Licensees shall provide
5385 necessary equipment approved by the Division of Licensing and
5386 ~~Department of Law~~ Enforcement to facilitate such electronic
5387 submission. The bureau ~~division~~ requirements under this
5388 subsection shall be instituted in consultation with the Division
5389 of Licensing and ~~Department of Law~~ Enforcement.

5390 (b) The cost of processing fingerprints and conducting a
5391 criminal history record check for a general occupational license
5392 shall be borne by the slot machine licensee. The cost of
5393 processing fingerprints and conducting a criminal history record
5394 check for a business or professional occupational license shall
5395 be borne by the person being checked. The Division of Licensing
5396 and ~~Department of Law~~ Enforcement may invoice the bureau ~~division~~
5397 for the fingerprints submitted each month.

5398 (c) All fingerprints submitted to the Division of Licensing
5399 and ~~Department of Law~~ Enforcement and required by this section
5400 shall be retained by the Division of Licensing and ~~Department of~~

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5401 ~~Law~~ Enforcement and entered into the statewide automated
5402 fingerprint identification system as authorized by s.
5403 943.05(2)(b) and shall be available for all purposes and uses
5404 authorized for arrest fingerprint cards entered into the
5405 statewide automated fingerprint identification system pursuant to
5406 s. 943.051.

5407 (d) The Division of Licensing and ~~Department of Law~~
5408 Enforcement shall search all arrest fingerprints received
5409 pursuant to s. 943.051 against the fingerprints retained in the
5410 statewide automated fingerprint identification system under
5411 paragraph (c). Any arrest record that is identified with the
5412 retained fingerprints of a person subject to the criminal history
5413 screening requirements of this section shall be reported to the
5414 bureau division. Each licensed facility shall pay a fee to the
5415 bureau division for the cost of retention of the fingerprints and
5416 the ongoing searches under this paragraph. The bureau division
5417 shall forward the payment to the Division of Licensing and
5418 ~~Department of Law~~ Enforcement. The amount of the fee to be
5419 imposed for performing these searches and the procedures for the
5420 retention of licensee fingerprints shall be as established by
5421 rule of the Division of Licensing and ~~Department of Law~~
5422 Enforcement. The bureau division shall inform the Division of
5423 Licensing and ~~Department of Law~~ Enforcement of any change in the
5424 license status of licensees whose fingerprints are retained under
5425 paragraph (c).

5426 (e) The bureau division shall request the Department of Law
5427 Enforcement to forward the fingerprints to the Federal Bureau of
5428 Investigation for a national criminal history records check every
5429 3 years following issuance of a license. If the fingerprints of a

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5430 person who is licensed have not been retained by the Division of
5431 Licensing and ~~Department of Law~~ Enforcement, the person must file
5432 a complete set of fingerprints as provided for in paragraph (a).
5433 The bureau ~~division~~ shall collect the fees for the cost of the
5434 national criminal history record check under this paragraph and
5435 shall forward the payment to the Division of Licensing and
5436 ~~Department of Law~~ Enforcement. The cost of processing
5437 fingerprints and conducting a criminal history record check under
5438 this paragraph for a general occupational license shall be borne
5439 by the slot machine licensee. The cost of processing fingerprints
5440 and conducting a criminal history record check under this
5441 paragraph for a business or professional occupational license
5442 shall be borne by the person being checked. The Division of
5443 Licensing and ~~Department of Law~~ Enforcement may invoice the
5444 bureau ~~division~~ for the fingerprints submitted each month. Under
5445 penalty of perjury, each person who is licensed or who is
5446 fingerprinted as required by this section must agree to inform
5447 the bureau ~~division~~ within 48 hours if he or she is convicted of
5448 or has entered a plea of guilty or nolo contendere to any
5449 disqualifying offense, regardless of adjudication.

5450 (8) All moneys collected pursuant to this section shall be
5451 deposited into the Pari-mutuel Wagering Trust Fund.

5452 (9) The bureau ~~division~~ may deny, revoke, or suspend any
5453 occupational license if the applicant or holder of the license
5454 accumulates unpaid obligations, defaults in obligations, or
5455 issues drafts or checks that are dishonored or for which payment
5456 is refused without reasonable cause.

5457 (10) The bureau ~~division~~ may fine or suspend, revoke, or
5458 place conditions upon the license of any licensee who provides

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5459 false information under oath regarding an application for a
5460 license or an investigation by the bureau ~~division~~.

5461 (11) The bureau ~~division~~ may impose a civil fine of up to
5462 \$5,000 for each violation of this chapter or the rules of the
5463 bureau ~~division~~ in addition to or in lieu of any other penalty
5464 provided for in this section. The bureau ~~division~~ may adopt a
5465 penalty schedule for violations of this chapter or any rule
5466 adopted pursuant to this chapter for which it would impose a fine
5467 in lieu of a suspension and adopt rules allowing for the issuance
5468 of citations, including procedures to address such citations, to
5469 persons who violate such rules. In addition to any other penalty
5470 provided by law, the bureau ~~division~~ may exclude from all
5471 licensed slot machine facilities in this state, for a period not
5472 to exceed the period of suspension, revocation, or ineligibility,
5473 any person whose occupational license application has been
5474 declared ineligible to hold an occupational license or whose
5475 occupational license has been suspended or revoked by the bureau
5476 ~~division~~.

5477 Section 87. Section 551.108, Florida Statutes, is amended
5478 to read:

5479 551.108 Prohibited relationships.--

5480 (1) A person employed by or performing any function on
5481 behalf of the bureau ~~division~~ may not:

5482 (a) Be an officer, director, owner, or employee of any
5483 person or entity licensed by the bureau ~~division~~.

5484 (b) Have or hold any interest, direct or indirect, in or
5485 engage in any commerce or business relationship with any person
5486 licensed by the bureau ~~division~~.

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5487 (2) A manufacturer or distributor of slot machines may not
5488 enter into any contract with a slot machine licensee that
5489 provides for any revenue sharing of any kind or nature that is
5490 directly or indirectly calculated on the basis of a percentage of
5491 slot machine revenues. Any maneuver, shift, or device whereby
5492 this subsection is violated is a violation of this chapter and
5493 renders any such agreement void.

5494 (3) A manufacturer or distributor of slot machines or any
5495 equipment necessary for the operation of slot machines or an
5496 officer, director, or employee of any such manufacturer or
5497 distributor may not have any ownership or financial interest in a
5498 slot machine license or in any business owned by the slot machine
5499 licensee.

5500 (4) An employee of the bureau ~~division~~ or relative living
5501 in the same household as such employee of the bureau ~~division~~ may
5502 not wager at any time on a slot machine located at a facility
5503 licensed by the bureau ~~division~~.

5504 (5) An occupational licensee or relative living in the same
5505 household as such occupational licensee may not wager at any time
5506 on a slot machine located at a facility where that person is
5507 employed.

5508 Section 88. Subsections (2) and (7) of section 551.109,
5509 Florida Statutes, are amended to read:

5510 551.109 Prohibited acts; penalties.--

5511 (2) Except as otherwise provided by law and in addition to
5512 any other penalty, any person who possesses a slot machine
5513 without the license required by this chapter or who possesses a
5514 slot machine at any location other than at the slot machine
5515 licensee's facility is subject to an administrative fine or civil

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5516 penalty of up to \$10,000 per machine. The prohibition in this
5517 subsection does not apply to:

5518 (a) Slot machine manufacturers or slot machine distributors
5519 that hold appropriate licenses issued by the bureau ~~division~~ who
5520 are authorized to maintain a slot machine storage and maintenance
5521 facility at any location in a county in which slot machine gaming
5522 is authorized by this chapter. The bureau ~~division~~ may adopt
5523 rules regarding security and access to the storage facility and
5524 inspections by the bureau ~~division~~.

5525 (b) Certified educational facilities that are authorized to
5526 maintain slot machines for the sole purpose of education and
5527 licensure, if any, of slot machine technicians, inspectors, or
5528 investigators. The bureau ~~division~~ and the Division of Licensing
5529 and Department of Law Enforcement may possess slot machines for
5530 training and testing purposes. The bureau ~~division~~ may adopt
5531 rules regarding the regulation of any such slot machines used for
5532 educational, training, or testing purposes.

5533 (7) All penalties imposed and collected under this section
5534 must be deposited into the Pari-mutuel Wagering Trust Fund of the
5535 Department of Gaming Control ~~Business and Professional~~
5536 ~~Regulation~~.

5537 Section 89. Section 551.112, Florida Statutes, is amended
5538 to read:

5539 551.112 Exclusions of certain persons.--In addition to the
5540 power to exclude certain persons from any facility of a slot
5541 machine licensee in this state, the bureau ~~division~~ may exclude
5542 any person from any facility of a slot machine licensee in this
5543 state for conduct that would constitute, if the person were a
5544 licensee, a violation of this chapter or the rules of the bureau

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5545 ~~division~~. The bureau ~~division~~ may exclude from any facility of a
5546 slot machine licensee any person who has been ejected from a
5547 facility of a slot machine licensee in this state or who has been
5548 excluded from any facility of a slot machine licensee or gaming
5549 facility in another state by the governmental department, agency,
5550 commission, or authority exercising regulatory jurisdiction over
5551 the gaming in such other state. This section does not abrogate
5552 the common law right of a slot machine licensee to exclude a
5553 patron absolutely in this state.

5554 Section 90. Subsections (3) and (5) of section 551.114,
5555 Florida Statutes, are amended to read:

5556 551.114 Slot machine gaming areas.--

5557 (3) The bureau ~~division~~ shall require the posting of signs
5558 warning of the risks and dangers of gambling, showing the odds of
5559 winning, and informing patrons of the toll-free telephone number
5560 available to provide information and referral services regarding
5561 compulsive or problem gambling.

5562 (5) The permitholder shall provide adequate office space at
5563 no cost to the bureau ~~division~~ and the Division of Licensing and
5564 ~~Department of Law~~ Enforcement for the oversight of slot machine
5565 operations. The bureau ~~division~~ shall adopt rules establishing
5566 the criteria for adequate space, configuration, and location and
5567 needed electronic and technological requirements for office space
5568 required by this subsection.

5569 Section 91. Section 551.117, Florida Statutes, is amended
5570 to read:

5571 551.117 Penalties.--The bureau ~~division~~ may revoke or
5572 suspend any slot machine license issued under this chapter upon
5573 the willful violation by the slot machine licensee of any

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5574 provision of this chapter or of any rule adopted under this
5575 chapter. In lieu of suspending or revoking a slot machine
5576 license, the bureau ~~division~~ may impose a civil penalty against
5577 the slot machine licensee for a violation of this chapter or any
5578 rule adopted by the bureau ~~division~~. Except as otherwise provided
5579 in this chapter, the penalty so imposed may not exceed \$100,000
5580 for each count or separate offense. All penalties imposed and
5581 collected must be deposited into the Pari-mutuel Wagering Trust
5582 Fund of the Department of Gaming Control ~~Business and~~
5583 ~~Professional Regulation~~.

5584 Section 92. Section 551.118, Florida Statutes, is amended
5585 to read:

5586 551.118 Compulsive or addictive gambling prevention
5587 program.--

5588 (1) The slot machine licensee shall offer training to
5589 employees on responsible gaming and shall work with a compulsive
5590 or addictive gambling prevention program to recognize problem
5591 gaming situations and to implement responsible gaming programs
5592 and practices.

5593 (2) The bureau ~~division~~ shall, subject to competitive
5594 bidding, contract for provision of services related to the
5595 prevention of compulsive and addictive gambling. The contract
5596 shall provide for an advertising program to encourage responsible
5597 gaming practices and to publicize a gambling telephone help line.
5598 Such advertisements must be made both publicly and inside the
5599 designated slot machine gaming areas of the licensee's
5600 facilities. The terms of any contract for the provision of such
5601 services shall include accountability standards that must be met
5602 by any private provider. The failure of any private provider to

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5603 meet any material terms of the contract, including the
5604 accountability standards, shall constitute a breach of contract
5605 or grounds for nonrenewal. The bureau ~~division~~ may consult with
5606 the Division ~~Department~~ of the Lottery within the Department of
5607 Gaming Control in the development of the program and the
5608 development and analysis of any procurement for contractual
5609 services for the compulsive or addictive gambling prevention
5610 program.

5611 (3) The compulsive or addictive gambling prevention program
5612 shall be funded from an annual nonrefundable regulatory fee of
5613 \$250,000 paid by the licensee to the bureau ~~division~~.

5614 Section 93. Paragraph (c) of subsection (4) of section
5615 551.121, Florida Statutes, is amended to read:

5616 551.121 Prohibited activities and devices; exceptions.--

5617 (4)

5618 (c) Outside the designated slot machine gaming areas, a
5619 slot machine licensee or operator may accept or cash a check for
5620 an employee of the facility who is prohibited from wagering on a
5621 slot machine under s. 551.108(5), a check made directly payable
5622 to a person licensed by the bureau ~~division~~, or a check made
5623 directly payable to the slot machine licensee or operator from:

5624 1. A pari-mutuel patron; or

5625 2. A pari-mutuel facility in this state or in another
5626 state.

5627 Section 94. Section 551.122, Florida Statutes, is amended
5628 to read:

5629 551.122 Rulemaking.--The bureau ~~division~~ may adopt rules
5630 pursuant to ss. 120.536(1) and 120.54 to administer the
5631 provisions of this chapter.

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5632 Section 95. Section 551.123, Florida Statutes, is amended
5633 to read:

5634 551.123 Legislative authority; administration of
5635 chapter.--The Legislature finds and declares that it has
5636 exclusive authority over the conduct of all wagering occurring at
5637 a slot machine facility in this state. As provided by law, only
5638 the Bureau of Slot Machines ~~division of Pari-mutuel Wagering~~ and
5639 other authorized state agencies shall administer this chapter and
5640 regulate the slot machine gaming industry, including operation of
5641 slot machine facilities, games, slot machines, and facilities-
5642 based computer systems authorized in this chapter and the rules
5643 adopted by the bureau ~~division~~.

5644 Section 96. Section 616.09, Florida Statutes, is amended to
5645 read:

5646 616.09 Not authorized to carry on gambling, etc. ;
5647 forfeiture of charter for violations; annulment
5648 proceedings.--~~Nothing in~~ This chapter does not ~~shall be held or~~
5649 ~~construed to~~ authorize or permit any fair association to carry
5650 on, conduct, supervise, permit, or suffer any gambling or game of
5651 chance, lottery, betting, or other act in violation of the
5652 criminal laws of the state; and ~~nothing in~~ this chapter does not
5653 ~~shall~~ permit horseracing or dogracing or any other pari-mutuel
5654 wagering, for money or upon which money is placed. Any fair
5655 association which violates any such law or which knowingly
5656 permits the violation of any such law is subject to forfeiture of
5657 its charter; and if any citizen complains to the Bureau of
5658 Prosecution of the Division of Licensing and Enforcement within
5659 the Department of Gaming Control ~~Department of Legal Affairs~~ that
5660 the association was organized for or is being used as a cover to

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5661 evade any of the laws of Florida against crime, and submits prima
5662 facie evidence to sustain the charge, the Bureau of Prosecution
5663 ~~Department of Legal Affairs~~ shall institute, and in due time
5664 prosecute to final judgment, such proceedings as may be necessary
5665 to annul the charter and incorporation of the association. A writ
5666 of injunction or other extraordinary process shall be issued by a
5667 court of competent jurisdiction on the application of the Bureau
5668 of Prosecution ~~Department of Legal Affairs~~ on complaint pending
5669 the annulment proceeding and in aid thereof, and the case shall
5670 be given precedence over all civil cases pending in that court
5671 and shall be heard and disposed of with as little delay as
5672 practicable.

5673 Section 97. Subsection (9) of section 616.241, Florida
5674 Statutes, is amended to read:

5675 616.241 Trade standards for operation at public fairs and
5676 expositions.--Trade standards for the operation of shows or games
5677 in connection with public fairs and expositions are as follows:

5678 (9) VIOLATIONS; REPORTING.--Florida law forbids lotteries,
5679 gambling, raffles, and other games of chance at community,
5680 county, district, state, regional, or interstate fairs and
5681 specialized shows. Enforcement is the responsibility of the
5682 Department of Gaming Control ~~local boards and authorities~~.

5683 Section 98. Section 849.086, Florida Statutes, is amended
5684 to read:

5685 849.086 Cardrooms authorized.--

5686 (1) LEGISLATIVE INTENT.--It is the intent of the
5687 Legislature to provide additional entertainment choices for the
5688 residents of and visitors to the state, promote tourism in the
5689 state, and provide additional state revenues through the

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5690 authorization of the playing of certain games in the state at
5691 facilities known as cardrooms which are to be located at licensed
5692 pari-mutuel facilities. To ensure the public confidence in the
5693 integrity of authorized cardroom operations, this act is designed
5694 to strictly regulate the facilities, persons, and procedures
5695 related to cardroom operations. Furthermore, the Legislature
5696 finds that authorized games as herein defined are considered to
5697 be pari-mutuel style games and not casino gaming because the
5698 participants play against each other instead of against the
5699 house.

5700 (2) DEFINITIONS.--As used in this section:

5701 (a) "Authorized game" means a game or series of games of
5702 poker or dominoes which are played in a nonbanking manner.

5703 (b) "Banking game" means a game in which the house is a
5704 participant in the game, taking on players, paying winners, and
5705 collecting from losers or in which the cardroom establishes a
5706 bank against which participants play.

5707 (c) "Cardroom" means a facility where authorized games are
5708 played for money or anything of value and to which the public is
5709 invited to participate in such games and charged a fee for
5710 participation by the operator of such facility. Authorized games
5711 and cardrooms do not constitute casino gaming operations.

5712 (d) "Cardroom management company" means any individual not
5713 an employee of the cardroom operator, any proprietorship,
5714 partnership, corporation, or other entity that enters into an
5715 agreement with a cardroom operator to manage, operate, or
5716 otherwise control the daily operation of a cardroom.

5717 (e) "Cardroom distributor" means any business that
5718 distributes cardroom paraphernalia such as card tables, betting

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5719 | chips, chip holders, dominoes, dominoes tables, drop boxes,
5720 | banking supplies, playing cards, card shufflers, and other
5721 | associated equipment to authorized cardrooms.

5722 | (f) "Cardroom operator" means a licensed pari-mutuel
5723 | permitholder which holds a valid permit and license issued by the
5724 | bureau ~~division~~ pursuant to chapter 550 and which also holds a
5725 | valid cardroom license issued by the bureau ~~division~~ pursuant to
5726 | this section which authorizes such person to operate a cardroom
5727 | and to conduct authorized games in such cardroom.

5728 | (g) "Division" means the Division of Gambling Oversight
5729 | ~~Pari-mutuel Wagering~~ of the Department of Gaming Control ~~Business~~
5730 | ~~and Professional Regulation~~.

5731 | (h) "Dominoes" means a game of dominoes typically played
5732 | with a set of 28 flat rectangular blocks, called "bones," which
5733 | are marked on one side and divided into two equal parts, with
5734 | zero to six dots, called "pips," in each part. The term also
5735 | includes larger sets of blocks that contain a correspondingly
5736 | higher number of pips. The term also means the set of blocks used
5737 | to play the game.

5738 | (i) "Gross receipts" means the total amount of money
5739 | received by a cardroom from any person for participation in
5740 | authorized games.

5741 | (j) "House" means the cardroom operator and all employees
5742 | of the cardroom operator.

5743 | (k) "Net proceeds" means the total amount of gross receipts
5744 | received by a cardroom operator from cardroom operations less
5745 | direct operating expenses related to cardroom operations,
5746 | including labor costs, admission taxes only if a separate
5747 | admission fee is charged for entry to the cardroom facility,

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5748 gross receipts taxes imposed on cardroom operators by this
5749 section, the annual cardroom license fees imposed by this section
5750 on each table operated at a cardroom, and reasonable promotional
5751 costs excluding officer and director compensation, interest on
5752 capital debt, legal fees, real estate taxes, bad debts,
5753 contributions or donations, or overhead and depreciation expenses
5754 not directly related to the operation of the cardrooms.

5755 (l) "Rake" means a set fee or percentage of the pot
5756 assessed by a cardroom operator for providing the services of a
5757 dealer, table, or location for playing the authorized game.

5758 (m) "Tournament" means a series of games that have more
5759 than one betting round involving one or more tables and where the
5760 winners or others receive a prize or cash award.

5761 (n) "Bureau" means the Bureau of Cardrooms within the
5762 Division of Gambling Oversight of the Department of Gaming
5763 Control.

5764 (3) CARDROOM AUTHORIZED.--Notwithstanding any other
5765 provision of law, it is not a crime for a person to participate
5766 in an authorized game at a licensed cardroom or to operate a
5767 cardroom described in this section if such game and cardroom
5768 operation are conducted strictly in accordance with the
5769 provisions of this section.

5770 (4) AUTHORITY OF BUREAU DIVISION.--The Bureau ~~division~~ of
5771 Cardrooms within the Division of Gambling Oversight ~~Pari-mutuel~~
5772 ~~Wagering~~ of the Department of Gaming Control ~~Business and~~
5773 ~~Professional Regulation~~ shall administer this section and
5774 regulate the operation of cardrooms under this section and the
5775 rules adopted pursuant thereto, and is hereby authorized to:

5776 (a) Adopt rules, including, but not limited to: the

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5777 issuance of cardroom and employee licenses for cardroom
5778 operations; the operation of a cardroom; recordkeeping and
5779 reporting requirements; and the collection of all fees and taxes
5780 imposed by this section.

5781 (b) Conduct investigations and monitor the operation of
5782 cardrooms and the playing of authorized games therein.

5783 (c) Review the books, accounts, and records of any current
5784 or former cardroom operator.

5785 (d) Suspend or revoke any license or permit, after hearing,
5786 for any violation of the provisions of this section or the
5787 administrative rules adopted pursuant thereto.

5788 (e) Take testimony, issue summons and subpoenas for any
5789 witness, and issue subpoenas duces tecum in connection with any
5790 matter within its jurisdiction.

5791 (f) Monitor and ensure the proper collection of taxes and
5792 fees imposed by this section. Permitholder internal controls are
5793 mandated to ensure no compromise of state funds. To that end, a
5794 roaming bureau ~~division~~ auditor will monitor and verify the cash
5795 flow and accounting of cardroom revenue for any given operating
5796 day.

5797 (5) LICENSE REQUIRED; APPLICATION; FEES.--A ~~No~~ person may
5798 not operate a cardroom in this state unless the ~~such~~ person holds
5799 a valid cardroom license issued pursuant to this section.

5800 (a) Only those persons holding a valid cardroom license
5801 issued by the bureau ~~division~~ may operate a cardroom. A cardroom
5802 license may only be issued to a licensed pari-mutuel permitholder
5803 and an authorized cardroom may only be operated at the same
5804 facility at which the permitholder is authorized under its valid
5805 pari-mutuel wagering permit to conduct pari-mutuel wagering

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5806 activities.

5807 (b) After the initial cardroom license is granted, the
5808 application for the annual license renewal shall be made in
5809 conjunction with the applicant's annual application for its pari-
5810 mutuel license. If a permitholder has operated a cardroom during
5811 any of the 3 previous fiscal years and fails to include a renewal
5812 request for the operation of the cardroom in its annual
5813 application for license renewal, the permitholder may amend its
5814 annual application to include operation of the cardroom. In order
5815 for a cardroom license to be renewed the applicant must have
5816 requested, as part of its pari-mutuel annual license application,
5817 to conduct at least 90 percent of the total number of live
5818 performances conducted by such permitholder during either the
5819 state fiscal year in which its initial cardroom license was
5820 issued or the state fiscal year immediately prior thereto. If the
5821 application is for a harness permitholder cardroom, the applicant
5822 must have requested authorization to conduct a minimum of 140
5823 live performances during the state fiscal year immediately prior
5824 thereto. If more than one permitholder is operating at a
5825 facility, each permitholder must have applied for a license to
5826 conduct a full schedule of live racing.

5827 (c) Persons seeking a license or a renewal thereof to
5828 operate a cardroom shall make application on forms prescribed by
5829 the bureau ~~division~~. Applications for cardroom licenses shall
5830 contain all of the information the bureau ~~division~~, by rule, may
5831 determine is required to ensure eligibility.

5832 (d) The annual cardroom license fee for each facility shall
5833 be \$1,000 for each table to be operated at the cardroom. The
5834 license fee shall be deposited by the bureau ~~division~~ with the

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5835 Chief Financial Officer to the credit of the Pari-mutuel Wagering
5836 Trust Fund.

5837 (6) BUSINESS AND EMPLOYEE OCCUPATIONAL LICENSE REQUIRED;
5838 APPLICATION; FEES.--

5839 (a) A person employed or otherwise working in a cardroom as
5840 a cardroom manager, floor supervisor, pit boss, dealer, or any
5841 other activity related to cardroom operations while the facility
5842 is conducting card playing or games of dominoes must hold a valid
5843 cardroom employee occupational license issued by the bureau
5844 ~~division~~. Food service, maintenance, and security employees with
5845 a current pari-mutuel occupational license and a current
5846 background check will not be required to have a cardroom employee
5847 occupational license.

5848 (b) Any cardroom management company or cardroom distributor
5849 associated with cardroom operations must hold a valid cardroom
5850 business occupational license issued by the bureau ~~division~~.

5851 (c) A ~~No~~ licensed cardroom operator may not employ or allow
5852 to work in a cardroom any person unless the ~~such~~ person holds a
5853 valid occupational license. No licensed cardroom operator may
5854 contract, or otherwise do business with, a business required to
5855 hold a valid cardroom business occupational license, unless the
5856 business holds such a valid license.

5857 (d) The bureau ~~division~~ shall establish, by rule, a
5858 schedule for the annual renewal of cardroom occupational
5859 licenses. Cardroom occupational licenses are not transferable.

5860 (e) Persons seeking cardroom occupational licenses, or
5861 renewal thereof, shall make application on forms prescribed by
5862 the bureau ~~division~~. Applications for cardroom occupational
5863 licenses shall contain all of the information the bureau

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5864 ~~division~~, by rule, may determine is required to ensure
5865 eligibility.

5866 (f) The bureau ~~division~~ shall adopt ~~promulgate~~ rules
5867 regarding cardroom occupational licenses. The provisions
5868 specified in s. 550.105(4), (5), (6), (7), (8), and (10) relating
5869 to licensure shall be applicable to cardroom occupational
5870 licenses.

5871 (g) The bureau ~~division~~ may deny, declare ineligible, or
5872 revoke any cardroom occupational license if the applicant or
5873 holder thereof has been found guilty or had adjudication withheld
5874 in this state or any other state, or under the laws of the United
5875 States of a felony or misdemeanor involving forgery, larceny,
5876 extortion, conspiracy to defraud, or filing false reports to a
5877 government agency, racing or gaming commission or authority.

5878 (h) Fingerprints for all cardroom occupational license
5879 applications shall be taken in a manner approved by the bureau
5880 ~~division~~ and then shall be submitted to the ~~Florida~~ Department of
5881 Law Enforcement and the Federal Bureau of Investigation for a
5882 criminal records check upon initial application and every 5 years
5883 thereafter. The bureau ~~division~~ may by rule require an annual
5884 record check of all renewal applications for a cardroom
5885 occupational license. The cost of processing fingerprints and
5886 conducting a record check shall be borne by the applicant.

5887 (i) The cardroom employee occupational license fee shall be
5888 \$50. The cardroom business occupational license fee shall be
5889 \$250.

5890 (7) CONDITIONS FOR OPERATING A CARDROOM.--

5891 (a) A cardroom may be operated only at the location
5892 specified on the cardroom license issued by the bureau ~~division~~,

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5893 | and such location may only be the location at which the pari-
5894 | mutuel permitholder is authorized to conduct pari-mutuel wagering
5895 | activities pursuant to such permitholder's valid pari-mutuel
5896 | permit or as otherwise authorized by law.

5897 | (b) Any horserace, greyhound race, or jai alai permitholder
5898 | licensed under this section may operate a cardroom at the pari-
5899 | mutuel facility on any day for a cumulative amount of 12 hours if
5900 | the permitholder meets the requirements under paragraph (5)(b).

5901 | (c) A cardroom operator must at all times employ and
5902 | provide a nonplaying dealer for each table on which authorized
5903 | card games which traditionally use a dealer are conducted at the
5904 | cardroom. Such dealers may not have a participatory interest in
5905 | any game other than the dealing of cards and may not have an
5906 | interest in the outcome of the game. The providing of such
5907 | dealers by a licensee does not constitute the conducting of a
5908 | banking game by the cardroom operator.

5909 | (d) A cardroom operator may award giveaways, jackpots, and
5910 | prizes to a player who holds certain combinations of cards
5911 | specified by the cardroom operator.

5912 | (e) Each cardroom operator shall conspicuously post upon
5913 | the premises of the cardroom a notice which contains a copy of
5914 | the cardroom license; a list of authorized games offered by the
5915 | cardroom; the wagering limits imposed by the house, if any; any
5916 | additional house rules regarding operation of the cardroom or the
5917 | playing of any game; and all costs to players to participate,
5918 | including any rake by the house. In addition, each cardroom
5919 | operator shall post at each table a notice of the minimum and
5920 | maximum bets authorized at such table and the fee for
5921 | participation in the game conducted.

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5922 (f) The cardroom facility is subject to inspection by the
5923 bureau ~~division~~ or any law enforcement agency during the
5924 licensee's regular business hours. The inspection must
5925 specifically include the permitholder internal control procedures
5926 approved by the bureau ~~division~~.

5927 (g) A cardroom operator may refuse entry to or refuse to
5928 allow any person who is objectionable, undesirable, or disruptive
5929 to play, but such refusal may not be on the basis of race, creed,
5930 color, religion, gender, national origin, marital status,
5931 physical handicap, or age, except as provided in this section.

5932 (8) METHOD OF WAGERS; LIMITATION.--

5933 (a) No wagering may be conducted using money or other
5934 negotiable currency. Games may only be played utilizing a
5935 wagering system whereby all players' money is first converted by
5936 the house to tokens or chips which shall be used for wagering
5937 only at that specific cardroom.

5938 (b) The cardroom operator may limit the amount wagered in
5939 any game or series of games, but the maximum bet may not exceed
5940 \$5 in value. There may not be more than three raises in any round
5941 of betting. The fee charged by the cardroom for participation in
5942 the game shall not be included in the calculation of the
5943 limitation on the bet amount provided in this paragraph. However,
5944 a cardroom operator may conduct games of Texas Hold-em without a
5945 betting limit if the required player buy-in is no more than \$100.

5946 (c) A tournament shall consist of a series of games. The
5947 entry fee for a tournament, including any re-buys, may not exceed
5948 the maximum amount that could be wagered by a participant in 10
5949 like-kind, nontournament games under paragraph (b). Tournaments
5950 may be played only with tournament chips that are provided to all

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5951 participants in exchange for an entry fee and any subsequent re-
5952 buys. All players must receive an equal number of tournament
5953 chips for their entry fee. Tournament chips have no cash value
5954 and represent tournament points only. There is no limitation on
5955 the number of tournament chips that may be used for a bet except
5956 as otherwise determined by the cardroom operator. Tournament
5957 chips may never be redeemed for cash or for any other thing of
5958 value. The distribution of prizes and cash awards must be
5959 determined by the cardroom operator before entry fees are
5960 accepted. For purposes of tournament play only, the term "gross
5961 receipts" means the total amount received by the cardroom
5962 operator for all entry fees, player re-buys, and fees for
5963 participating in the tournament less the total amount paid to the
5964 winners or others as prizes.

5965 (9) BOND REQUIRED.--The holder of a cardroom license shall
5966 be financially and otherwise responsible for the operation of the
5967 cardroom and for the conduct of any manager, dealer, or other
5968 employee involved in the operation of the cardroom. Before ~~Prior~~
5969 ~~to~~ the issuance of a cardroom license, each applicant for such
5970 license shall provide evidence of a surety bond in the amount of
5971 \$50,000, payable to the state, furnished by a corporate surety
5972 authorized to do business in the state or evidence that the
5973 licensee's pari-mutuel bond required by s. 550.125 has been
5974 expanded to include the applicant's cardroom operation. The bond
5975 shall guarantee that the cardroom operator will redeem, for cash,
5976 all tokens or chips used in games. Such bond shall be kept in
5977 full force and effect by the operator during the term of the
5978 license.

5979 (10) FEE FOR PARTICIPATION.--The cardroom operator may

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5980 | charge a fee for the right to participate in games conducted at
5981 | the cardroom. Such fee may be either a flat fee or hourly rate
5982 | for the use of a seat at a table or a rake subject to the posted
5983 | maximum amount but may not be based on the amount won by players.
5984 | The rake-off, if any, must be made in an obvious manner and
5985 | placed in a designated rake area which is clearly visible to all
5986 | players. Notice of the amount of the participation fee charged
5987 | shall be posted in a conspicuous place in the cardroom and at
5988 | each table at all times.

5989 | (11) RECORDS AND REPORTS.--

5990 | (a) Each licensee operating a cardroom shall keep and
5991 | maintain permanent daily records of its cardroom operation and
5992 | shall maintain such records for a period of not less than 3
5993 | years. These records shall include all financial transactions and
5994 | contain sufficient detail to determine compliance with the
5995 | requirements of this section. All records shall be available for
5996 | audit and inspection by the bureau ~~division~~ or other law
5997 | enforcement agencies during the licensee's regular business
5998 | hours. The information required in such records shall be
5999 | determined by bureau ~~division~~ rule.

6000 | (b) Each licensee operating a cardroom shall file with the
6001 | bureau ~~division~~ a report containing the required records of such
6002 | cardroom operation. Such report shall be filed monthly by
6003 | licensees. The required reports shall be submitted on forms
6004 | prescribed by the bureau ~~division~~ and shall be due at the same
6005 | time as the monthly pari-mutuel reports are due to the bureau
6006 | ~~division~~, and such reports shall contain any additional
6007 | information deemed necessary by the bureau ~~division~~, and the
6008 | reports shall be deemed public records once filed.

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6009 (12) PROHIBITED ACTIVITIES.--

6010 (a) A ~~No~~ person licensed to operate a cardroom may not
6011 conduct any banking game or any game not specifically authorized
6012 by this section.

6013 (b) A ~~No~~ person younger than ~~under~~ 18 years of age may not
6014 ~~be permitted to~~ hold a cardroom or employee license, or engage in
6015 any game conducted therein.

6016 (c) ~~No~~ Electronic or mechanical devices, except mechanical
6017 card shufflers, may not be used to conduct any authorized game in
6018 a cardroom.

6019 (d) ~~No~~ Cards, game components, or game implements may not
6020 be used in playing an authorized game unless such has been
6021 furnished or provided to the players by the cardroom operator.

6022 (13) TAXES AND OTHER PAYMENTS.--

6023 (a) Each cardroom operator shall pay a tax to the state of
6024 10 percent of the cardroom operation's monthly gross receipts.

6025 (b) An admission tax equal to 15 percent of the admission
6026 charge for entrance to the licensee's cardroom facility, or 10
6027 cents, whichever is greater, is imposed on each person entering
6028 the cardroom. This admission tax shall apply only if a separate
6029 admission fee is charged for entry to the cardroom facility. If a
6030 single admission fee is charged which authorizes entry to both or
6031 either the pari-mutuel facility and the cardroom facility, the
6032 admission tax shall be payable only once and shall be payable
6033 pursuant to chapter 550. The cardroom licensee shall be
6034 responsible for collecting the admission tax. An admission tax is
6035 imposed on any free passes or complimentary cards issued to
6036 guests by licensees in an amount equal to the tax imposed on the
6037 regular and usual admission charge for entrance to the licensee's

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6038 cardroom facility. A cardroom licensee may issue tax-free passes
6039 to its officers, officials, and employees or other persons
6040 actually engaged in working at the cardroom, including accredited
6041 press representatives such as reporters and editors, and may also
6042 issue tax-free passes to other cardroom licensees for the use of
6043 their officers and officials. The licensee shall file with the
6044 bureau ~~division~~ a list of all persons to whom tax-free passes are
6045 issued.

6046 (c) Payment of the admission tax and gross receipts tax
6047 imposed by this section shall be paid to the bureau ~~division~~. The
6048 bureau ~~division~~ shall deposit these sums with the Chief Financial
6049 Officer, one-half being credited to the Pari-mutuel Wagering
6050 Trust Fund and one-half being credited to the General Revenue
6051 Fund. The cardroom licensee shall remit to the bureau ~~division~~
6052 payment for the admission tax, the gross receipts tax, and the
6053 licensee fees. Such payments shall be remitted to the bureau
6054 ~~division~~ on the fifth day of each calendar month for taxes and
6055 fees imposed for the preceding month's cardroom activities.
6056 Licensees shall file a report under oath by the fifth day of each
6057 calendar month for all taxes remitted during the preceding
6058 calendar month. Such report shall, under oath, indicate the total
6059 of all admissions, the cardroom activities for the preceding
6060 calendar month, and such other information as may be prescribed
6061 by the bureau ~~division~~.

6062 (d) Each greyhound and jai alai permitholder that operates
6063 a cardroom facility shall use at least 4 percent of such
6064 permitholder's cardroom monthly gross receipts to supplement
6065 greyhound purses or jai alai prize money, respectively, during
6066 the permitholder's next ensuing pari-mutuel meet. Each

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6067 | thoroughbred and harness horse racing permitholder that operates
6068 | a cardroom facility shall use at least 50 percent of such
6069 | permitholder's cardroom monthly net proceeds as follows: 47
6070 | percent to supplement purses and 3 percent to supplement
6071 | breeders' awards during the permitholder's next ensuing racing
6072 | meet.

6073 | (e) The failure of any licensee to make payments as
6074 | prescribed in paragraph (c) is a violation of this section, and
6075 | the licensee may be subjected by the bureau ~~division~~ to a civil
6076 | penalty of up to \$1,000 for each day the tax payment is not
6077 | remitted. All penalties imposed and collected shall be deposited
6078 | in the General Revenue Fund. If a licensee fails to pay penalties
6079 | imposed by order of the bureau ~~division~~ under this subsection,
6080 | the bureau ~~division~~ may suspend or revoke the license of the
6081 | cardroom operator or deny issuance of any further license to the
6082 | cardroom operator.

6083 | (f) The cardroom shall be deemed an accessory use to a
6084 | licensed pari-mutuel operation and, except as provided in chapter
6085 | 550, a municipality, county, or political subdivision may not
6086 | assess or collect any additional license tax, sales tax, or
6087 | excise tax on such cardroom operation.

6088 | (g) All of the moneys deposited in the Pari-mutuel Wagering
6089 | Trust Fund, except as set forth in paragraph (h), shall be
6090 | utilized and distributed in the manner specified in s. 550.135(1)
6091 | and (2). However, cardroom tax revenues shall be kept separate
6092 | from pari-mutuel tax revenues and shall not be used for making
6093 | the disbursement to counties provided in former s. 550.135(1).

6094 | (h) One-quarter of the moneys deposited into the Pari-
6095 | mutuel Wagering Trust Fund pursuant to paragraph (g) shall, by

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6096 | October 1 of each year, be distributed to the local government
6097 | that approved the cardroom under subsection (16); however, if two
6098 | or more pari-mutuel racetracks are located within the same
6099 | incorporated municipality, the cardroom funds shall be
6100 | distributed to the municipality. If a pari-mutuel facility is
6101 | situated in such a manner that it is located in more than one
6102 | county, the site of the cardroom facility shall determine the
6103 | location for purposes of disbursement of tax revenues under this
6104 | paragraph. The bureau ~~division~~ shall, by September 1 of each
6105 | year, determine: the amount of taxes deposited into the Pari-
6106 | mutuel Wagering Trust Fund pursuant to this section from each
6107 | cardroom licensee; the location by county of each cardroom;
6108 | whether the cardroom is located in the unincorporated area of the
6109 | county or within an incorporated municipality; and, the total
6110 | amount to be distributed to each eligible county and
6111 | municipality.

6112 | (14) SUSPENSION, REVOCATION, OR DENIAL OF LICENSE; FINE.--

6113 | (a) The bureau ~~division~~ may deny a license or the renewal
6114 | thereof, or may suspend or revoke any license, when the applicant
6115 | has: violated or failed to comply with the provisions of this
6116 | section or any rules adopted pursuant thereto; knowingly caused,
6117 | aided, abetted, or conspired with another to cause any person to
6118 | violate this section or any rules adopted pursuant thereto; or
6119 | obtained a license or permit by fraud, misrepresentation, or
6120 | concealment; or if the holder of such license or permit is no
6121 | longer eligible under this section.

6122 | (b) If a pari-mutuel permitholder's pari-mutuel permit or
6123 | license is suspended or revoked by the bureau ~~division~~ pursuant
6124 | to chapter 550, the bureau ~~division~~ may, but is not required to,

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6125 suspend or revoke such permitholder's cardroom license. If a
6126 cardroom operator's license is suspended or revoked pursuant to
6127 this section, the bureau division may, but is not required to,
6128 suspend or revoke such licensee's pari-mutuel permit or license.

6129 (c) Notwithstanding any other provision of this section,
6130 the bureau division may impose an administrative fine not to
6131 exceed \$1,000 for each violation against any person who has
6132 violated or failed to comply with the provisions of this section
6133 or any rules adopted pursuant thereto.

6134 (15) CRIMINAL PENALTY; INJUNCTION.--

6135 (a)1. Any person who operates a cardroom without a valid
6136 license issued as provided in this section commits a felony of
6137 the third degree, punishable as provided in s. 775.082, s.
6138 775.083, or s. 775.084.

6139 2. Any licensee or permitholder who violates any provision
6140 of this section commits a misdemeanor of the first degree,
6141 punishable as provided in s. 775.082 or s. 775.083. Any licensee
6142 or permitholder who commits a second or subsequent violation of
6143 the same paragraph or subsection within a period of 3 years from
6144 the date of a prior conviction for a violation of such paragraph
6145 or subsection commits a felony of the third degree, punishable as
6146 provided in s. 775.082, s. 775.083, or s. 775.084.

6147 (b) The bureau division, any state attorney, the statewide
6148 prosecutor, or the Attorney General may apply for a temporary or
6149 permanent injunction restraining further violation of this
6150 section, and such injunction shall issue without bond.

6151 (16) LOCAL GOVERNMENT APPROVAL.--The bureau division of
6152 Pari-mutuel Wagering may ~~shall~~ not issue any initial license
6153 under this section except upon proof in such form as the bureau

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6154 ~~division~~ may prescribe that the local government where the
6155 applicant for such license desires to conduct cardroom gaming has
6156 voted to approve such activity by a majority vote of the
6157 governing body of the municipality or the governing body of the
6158 county if the facility is not located in a municipality.

6159 (17) CHANGE OF LOCATION; REFERENDUM.--

6160 (a) Notwithstanding any provisions of this section, no
6161 cardroom gaming license issued under this section shall be
6162 transferred, or reissued when such reissuance is in the nature of
6163 a transfer, so as to permit or authorize a licensee to change the
6164 location of the cardroom except upon proof in such form as the
6165 bureau ~~division~~ may prescribe that a referendum election has been
6166 held:

6167 1. If the proposed new location is within the same county
6168 as the already licensed location, in the county where the
6169 licensee desires to conduct cardroom gaming and that a majority
6170 of the electors voting on the question in such election voted in
6171 favor of the transfer of such license. However, the bureau
6172 ~~division~~ shall transfer, without requirement of a referendum
6173 election, the cardroom license of any permit holder that relocated
6174 its permit pursuant to s. 550.0555.

6175 2. If the proposed new location is not within the same
6176 county as the already licensed location, in the county where the
6177 licensee desires to conduct cardroom gaming and that a majority
6178 of the electors voting on that question in each such election
6179 voted in favor of the transfer of such license.

6180 (b) The expense of each referendum held under the
6181 provisions of this subsection shall be borne by the licensee
6182 requesting the transfer.

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6183 Section 99. Subsection (10) of section 849.094, Florida
6184 Statutes, is amended to read:

6185 849.094 Game promotion in connection with sale of consumer
6186 products or services.--

6187 (10) This section does not apply to actions or transactions
6188 regulated by the Department of Gaming Control ~~Business and~~
6189 ~~Professional Regulation~~ or to the activities of nonprofit
6190 organizations or to any other organization engaged in any
6191 enterprise other than the sale of consumer products or services.
6192 Subsections (3), (4), (5), (6), and (7) and paragraph (8)(a) and
6193 any of the rules made pursuant thereto do not apply to television
6194 or radio broadcasting companies licensed by the Federal
6195 Communications Commission.

6196 Section 100. Section 849.161, Florida Statutes, is amended
6197 to read:

6198 849.161 Amusement games or machines; when chapter
6199 inapplicable.--

6200 (1)(a)~~1.~~ ~~Nothing contained in This chapter~~ does not apply
6201 ~~shall be taken or construed as applicable to an arcade amusement~~
6202 ~~center~~ or any retail dealer who operates as a truck stop,
6203 operates a minimum of six functional diesel fuel pumps, and has
6204 ~~having~~ amusement games or machines that ~~which~~ operate by means of
6205 the insertion of a coin or other currency and that ~~which~~ by
6206 application of skill ~~may~~ entitle the person playing or operating
6207 the game or machine to receive points or coupons that ~~which~~ may
6208 be exchanged for merchandise limited to noncash prizes, toys,
6209 novelties, and Florida lottery products ~~only~~, excluding cash and
6210 alcoholic beverages, provided the cost value of the merchandise

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6211 or prize awarded in exchange for such points or coupons does not
6212 exceed 75 cents on any game played.

6213 ~~2. Nothing contained in this chapter shall be taken or~~
6214 ~~construed as applicable to any retail dealer who operates as a~~
6215 ~~truck stop, as defined in chapter 336 and which operates a~~
6216 ~~minimum of 6 functional diesel fuel pumps, having amusement games~~
6217 ~~or machines which operate by means of the insertion of a coin or~~
6218 ~~other currency and which by application of skill may entitle the~~
6219 ~~person playing or operating the game or machine to receive points~~
6220 ~~or coupons which may be exchanged for merchandise limited to~~
6221 ~~noncash prizes, toys, novelties, and Florida Lottery products,~~
6222 ~~excluding alcoholic beverages, provided the cost value of the~~
6223 ~~merchandise or prize awarded in exchange for such points or~~
6224 ~~coupons does not exceed 75 cents on any game played. This~~
6225 paragraph ~~subparagraph~~ applies only to games and machines that
6226 ~~which~~ are operated for the entertainment of the general public
6227 and tourists as bona fide amusement games or machines. This
6228 subsection does ~~shall~~ not apply, however, to any game or device
6229 defined as a gambling device in 24 U.S.C. s. 1171, which requires
6230 identification of each device by permanently affixing seriatim
6231 numbering and name, trade name, and date of manufacture under s.
6232 1173, and registration with the United States Attorney General,
6233 unless excluded from applicability of the chapter under s. 1178.
6234 This subsection does ~~shall~~ not be ~~construed to~~ authorize video
6235 poker games or any other game or machine that may be construed as
6236 a gambling device under Florida law.

6237 (b) ~~Nothing in~~ This subsection does not apply ~~shall be~~
6238 ~~taken or construed as applicable to a coin-operated game or~~
6239 ~~device designed and manufactured only for bona fide amusement~~

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6240 purposes which game or device may by application of skill entitle
6241 the player to replay the game or device at no additional cost, if
6242 the game or device: can accumulate and react to no more than 15
6243 free replays; can be discharged of accumulated free replays only
6244 by reactivating the game or device for one additional play for
6245 such accumulated free replay; can make no permanent record,
6246 directly or indirectly, of free replays; and is not classified by
6247 the United States as a gambling device in 24 U.S.C. s. 1171,
6248 which requires identification of each device by permanently
6249 affixing seriatim numbering and name, trade name, and date of
6250 manufacture under s. 1173, and registration with the United
6251 States Attorney General, unless excluded from applicability of
6252 the chapter under s. 1178. This subsection does ~~shall~~ not be
6253 ~~construed to~~ authorize video poker games, or any other game or
6254 machine that may be construed as a gambling device under Florida
6255 law.

6256 (2) As used in this section, the term:

6257 (a) "Arcade amusement center" as used in this section means
6258 a place of business licensed by the department having at least 50
6259 coin-operated amusement games or machines on premises which are
6260 operated for the entertainment of the general public and tourists
6261 as a bona fide amusement facility.

6262 (b) "Application of skill" means that the playing public
6263 may attain, through the exercise of skill or judgment, a better
6264 measure of success in playing the game than could be
6265 mathematically expected on the basis of random chance alone.

6266 (c) "Department" means the Department of Gaming Control.

6267 (3) The department shall adopt, pursuant to ss. 120.536(1)
6268 and 120.54, all rules necessary to implement, administer, and

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6269 regulate skill-based gaming as authorized in this section. Such
6270 rules must include:

6271 (a) Technical requirements, qualifications, and procedures
6272 necessary to receive a skill-based gaming license.

6273 (b) Procedures to scientifically test and technically
6274 evaluate skill-based machines for compliance with this chapter.

6275 The division may contract with an independent testing laboratory
6276 to conduct any necessary testing under this section. The
6277 independent testing laboratory must have a national reputation
6278 for testing skill-based machines, and be demonstrably competent
6279 and qualified to scientifically test and evaluate slot machines
6280 for compliance with this chapter and to otherwise perform the
6281 functions assigned to it in this chapter. A licensee may not own
6282 or control an independent testing laboratory. The use of an
6283 independent testing laboratory for any purpose related to the
6284 conduct of skill-based gaming by a licensee under this section
6285 shall be made from a list of one or more laboratories approved by
6286 the division.

6287 (c) Procedures relating to machine revenues, including
6288 verifying and accounting for such revenues, auditing, and
6289 collecting taxes and fees consistent with this section.

6290 (d) Procedures for regulating, managing, and auditing the
6291 operation, financial data, and program information relating to
6292 skill-based machine gaming which allow the department to audit
6293 the operation, financial data, and program information of a slot
6294 machine licensee, as required by the department, and provide the
6295 department with the ability to monitor, at any time on a real-
6296 time basis, wagering patterns, payouts, tax collection, and
6297 compliance with any rules adopted by the department for the

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6298 regulation and control of machines operated under this section.

6299 (e) Procedures for requiring licensees to maintain
6300 specified records and submit any data, information, record, or
6301 report, including financial and income records, required by this
6302 chapter or determined by the division to be necessary to the
6303 proper implementation and enforcement of this chapter.

6304 (f) Minimum standards for security of the facilities.

6305 (4) The department shall conduct such investigations
6306 necessary to fulfill its responsibilities under the provisions of
6307 this section.

6308 (5) The department and local law enforcement agencies shall
6309 have concurrent jurisdiction to investigate criminal violations
6310 of this chapter and may investigate any other criminal violation
6311 of law occurring at the facilities of a licensee, and such
6312 investigations may be conducted in conjunction with the
6313 appropriate state attorney.

6314 (6) (a) The department and local law enforcement agencies
6315 shall have unrestricted access to a licensee's facility at all
6316 times and shall require of each licensee strict compliance with
6317 the laws of this state relating to the transaction of such
6318 business. The department and local law enforcement agencies may:

6319 1. Inspect and examine premises where skill-based machines
6320 are offered for play.

6321 2. Inspect skill-based machines and related equipment and
6322 supplies.

6323 (b) In addition, the department may:

6324 1. Collect taxes, assessments, fees, and penalties.

6325 2. Deny, revoke, suspend, or place conditions on the
6326 license of a person who violates any provision of this chapter or

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6327 rule adopted pursuant thereto.

6328 3. Revoke or suspend the license of any person who is no
6329 longer qualified or who is found, after receiving a license, to
6330 have been unqualified at the time of application for the license.

6331 (7) This section does not:

6332 (a) Prohibit the department or any law enforcement
6333 authority from conducting investigations of criminal activities
6334 occurring at the facility of a licensee;

6335 (b) Restrict access to the licensee's facility by the
6336 department or any law enforcement authority; or

6337 (c) Restrict access by the department or law enforcement
6338 authorities to information and records necessary to the
6339 investigation of criminal activity which are contained within the
6340 licensee's facility.

6341 (8) (a) Upon submission of the initial application for a
6342 skill-based machine operator and annually thereafter, on the
6343 anniversary date of the issuance of the initial license, the
6344 operator shall pay to the Division of Licensing and Enforcement a
6345 nonrefundable license fee to be determined by the division for
6346 the following 12 months of licensure. The license fee shall be
6347 deposited into the Pari-mutuel Wagering Trust Fund of the
6348 department to be used for investigations, regulation of the
6349 machines, and enforcement of the provisions under this chapter.
6350 These payments shall be accounted for separately from taxes or
6351 fees paid pursuant to chapter 550.

6352 (b) Before January 1, 2009, the Division of Licensing and
6353 Enforcement shall evaluate the license fee and shall make
6354 recommendations to the President of the Senate and the Speaker of
6355 the House of Representatives regarding the optimum level of

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6356 operator license fees in order to adequately support the
6357 regulatory program.

6358 (9) (a) The tax rate on skill-based machine revenues at each
6359 facility shall be 15 percent.

6360 (b) The tax imposed by this section shall be paid to the
6361 department for deposit into the Florida Gaming Trust Fund and
6362 subject to annual appropriation by the Legislature.

6363 (10) The slot machine licensee shall remit to the Division
6364 of Licensing and Enforcement payment for the tax on slot machine
6365 revenues. Such payments shall be remitted by 3 p.m. Wednesday of
6366 each week for taxes imposed and collected for the preceding week
6367 ending on Sunday. The operator shall file a report under oath by
6368 the 5th day of each calendar month for all taxes remitted during
6369 the preceding calendar month. Such payments shall be accompanied
6370 by a report under oath showing all machine activities for the
6371 preceding calendar month and such other information as may be
6372 prescribed by the Division of Licensing and Enforcement.

6373 (11) An operator who fails to make tax payments as required
6374 under this section is subject to an administrative penalty of up
6375 to \$10,000 for each day the tax payment is not remitted. All
6376 administrative penalties imposed and collected shall be deposited
6377 into the Florida Gaming Trust Fund. If any slot machine licensee
6378 fails to pay penalties imposed by order of the Division of
6379 Licensing and Enforcement under this subsection, the division may
6380 suspend, revoke, or refuse to renew the license of the slot
6381 machine licensee.

6382 (12) The Division of Licensing and Enforcement may require
6383 operators to remit taxes, fees, fines, and assessments by
6384 electronic funds transfer.

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6385 Section 101. Subsection (7) of section 943.0311, Florida
6386 Statutes, is amended to read:

6387 943.0311 Chief of Domestic Security; duties of the
6388 department with respect to domestic security.--

6389 (7) As used in this section, the term "state agency"
6390 includes the Agency for Health Care Administration, the Agency
6391 for Workforce Innovation, the Department of Agriculture and
6392 Consumer Services, the Department of Business and Professional
6393 Regulation, the Department of Children and Family Services, the
6394 Department of Citrus, the Department of Community Affairs, the
6395 Department of Corrections, the Department of Education, the
6396 Department of Elderly Affairs, the Department of Environmental
6397 Protection, the Department of Financial Services, the Department
6398 of Health, the Department of Highway Safety and Motor Vehicles,
6399 the Department of Juvenile Justice, the Department of Law
6400 Enforcement, the Department of Legal Affairs, the Department of
6401 Management Services, the Department of Military Affairs, the
6402 Department of Revenue, the Department of State, the Department of
6403 Gaming Control ~~the Lottery~~, the Department of Transportation, the
6404 Department of Veterans' Affairs, the Fish and Wildlife
6405 Conservation Commission, the Parole Commission, the State Board
6406 of Administration, and the Executive Office of the Governor.

6407 Section 102. This act shall take effect July 1, 2008, if SB
6408 ____, or similar legislation creating the Florida Gaming Trust
6409 Fund, is adopted in the same legislative session or an extension
6410 thereof and becomes law.