

By Senators Jones and King

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1 A bill to be entitled

2 An act relating to electronic gaming machines; authorizing  
3 electronic gaming machines in certain pari-mutuel  
4 facilities; providing definitions; providing powers and  
5 duties of the Division of Pari-mutuel Wagering of the  
6 Department of Business and Professional Regulation and the  
7 Department of Law Enforcement; providing for rules;  
8 providing for licenses to conduct electronic gaming;  
9 providing for temporary licenses; providing for renewal of  
10 electronic gaming machine licenses; providing for license  
11 fees; providing for taxes; providing penalties; providing  
12 for occupational licenses; providing findings; providing  
13 for applications; providing for a fee; prohibiting certain  
14 relationships; prohibiting certain acts; providing  
15 penalties; providing for legality of electronic gaming  
16 machines; providing for exclusion of certain persons from  
17 the facilities; prohibiting persons under 21 years of age  
18 from operating electronic gaming machines; providing for  
19 electronic gaming machine areas within licensed gaming  
20 locations; providing for days and hours of operation of  
21 eligible facilities; providing for a compulsive-gambling-  
22 prevention program; providing penalties; providing for a  
23 caterer's license for food service at gambling  
24 establishments; prohibiting certain activities and  
25 devices; providing exceptions; providing for rules;  
26 providing for regulatory preemption to the state;  
27 providing exceptions to s. 849.0931, F.S.; amending s.  
28 215.22, F.S.; exempting taxes imposed on electronic gaming  
29 and electronic gaming machine revenue from specified

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30 service charges; amending s. 849.15, F.S.; providing for  
31 transportation of electronic gaming devices in accordance  
32 with federal law; amending s. 895.02, F.S.; providing that  
33 specified violations related to electronic gaming and  
34 electronic gaming machines constitute racketeering  
35 activity; providing that certain debt incurred in  
36 violation of specified provisions relating to electronic  
37 gaming and electronic gaming machines constitutes unlawful  
38 debt; authorizing additional positions and providing  
39 appropriations; providing for the use of certain  
40 unreserved funds in the Pari-mutuel Wagering Trust Fund;  
41 providing for repayment of such funds; providing an  
42 effective date.

43  
44 Be It Enacted by the Legislature of the State of Florida:

45  
46 Section 1. Electronic gaming machines authorized.--Any  
47 licensed pari-mutuel facility may possess electronic gaming  
48 machines and operate electronic gaming machines at an eligible  
49 facility, as defined by this act, where the pari-mutuel  
50 permitholder is authorized to conduct pari-mutuel wagering  
51 activities pursuant to a valid pari-mutuel permit.  
52 Notwithstanding any other provision of law, it is not a crime for  
53 a person to participate in electronic gaming at a pari-mutuel  
54 facility licensed to possess electronic gaming machines or to  
55 operate electronic gaming machines as described in this act.

56 Section 2. Definitions.--As used in this act, the term:

57 (1) "Bingo or game of bingo" means the game of chance  
58 commonly known as "bingo" whether or not electronic, computer, or

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59 other technological aids are used in connection therewith. Such  
60 aids may include the use of entertainment displays, including  
61 spinning reels, video displays of reels, associated bonus  
62 displays, and video poker. In order for a game of bingo to take  
63 place, at least two live players must be competing for a common  
64 prize. As such, player gaming machines that contain the game of  
65 chance commonly known as "bingo" may not be house-banked games  
66 and may not be electronic or electromechanical facsimiles of any  
67 game of chance. Bingo consists of players competing against other  
68 players for prizes resulting from a random draw or electronic  
69 determination and release or announcement of numbers or other  
70 designations necessary to form the predesignated game-winning  
71 pattern on an electronic bingo card. A game ends when a  
72 participating player receives a predesignated game-winning  
73 pattern and consolation prizes, if any, are awarded.

74 (2) "Bonus prize" means a prize awarded in a bingo game in  
75 addition to the game-winning prize. The bonus prize may be based  
76 on different predesignated and preannounced patterns from the  
77 game-winning pattern, on achieving a winning pattern in a  
78 specified quantity of numbers or designations drawn or  
79 electronically determined and released, or on any combination of  
80 these conditions. A bonus prize may be awarded as an interim  
81 prize while players are competing for the game-winning prize or  
82 as a consolation prize after a player has won the game-winning  
83 prize.

84 (3) "Designated electronic gaming machine area" means any  
85 area of a facility of an electronic gaming machine licensee in  
86 which electronic gaming may be conducted in accordance with this  
87 act.

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88       (4) "Distributor" means any person who sells, leases,  
89 offers, or otherwise provides, distributes, or services any  
90 electronic gaming machine or associated equipment, software, or  
91 other functions required for use or play of electronic gaming  
92 machines in this state. A manufacturer may be a distributor  
93 within the state.

94       (5) "Division" means the Division of Pari-mutuel Wagering  
95 of the Department of Business and Professional Regulation.

96       (6) "Electronic game" means an electronically simulated  
97 game involving any element of chance, skill, or both, played on  
98 an electronic gaming machine that, upon insertion of a ticket or  
99 electronic card, is available to play or simulate a game of bingo  
100 played on a network of electronic gaming machines. Electronic  
101 gaming machines simulating the game of bingo may not be house-  
102 banked. Bonus prizes and progressive prizes may be awarded to  
103 players at any licensed facility, and a player may receive a  
104 payoff in the form of tickets that may be exchanged for cash,  
105 merchandise, or other items of value.

106       (7) "Electronic gaming machine" means a player station,  
107 machine, or device, including associated equipment that is  
108 required to operate the player station, machine, or device, upon  
109 which an electronic gaming machine is played or operated. An  
110 electronic game may not be an electronic facsimile of any game of  
111 chance, but may use spinning reels, video displays, video poker,  
112 or other similar technologies available now or in the future to  
113 convey outcomes to a player if the results displayed at the  
114 gaming machine are based upon simulated bingo game play, as  
115 approved by the department. An electronic gaming machine must  
116 display one or more bingo cards to be used in the game before

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117 numbers or other designations for the game are randomly drawn.  
118 Any card in use by a player must be visible to the player during  
119 game play. All electronic gaming machines must be directly linked  
120 to a central computer for purposes of security, monitoring, and  
121 auditing. The central computer may not limit a facility's ability  
122 to deploy its electronic player tracking or electronic gaming  
123 accounting system. However, such systems must use a widely  
124 accepted open communications protocol to ensure interoperability  
125 among all manufacturers and to provide a player with the ability  
126 to seamlessly alternate play between the electronic gaming  
127 machines and electronic gaming machines of different licensed  
128 manufacturers. An electronic gaming machine is not a coin-  
129 operated amusement machine as defined in s. 212.02, Florida  
130 Statutes, and does not include an amusement game or machine as  
131 described in s. 849.161, Florida Statutes.

132 (8) "Electronic gaming machine facility" means an eligible  
133 facility at which electronic gaming machines are lawfully offered  
134 for play.

135 (9) "Electronic gaming machine license" means a license  
136 issued by the division authorizing a pari-mutuel permit holder to  
137 place and operate electronic gaming machines in an eligible  
138 facility.

139 (10) "Electronic gaming machine revenues" means all cash  
140 and property, except nonredeemable credits, received by the  
141 electronic gaming machine licensee from the operation of  
142 electronic gaming machines, less the amount of cash, cash  
143 equivalents, credits, and prizes paid to winners of electronic  
144 games.

145 (11) "Eligible facility" means any licensed pari-mutuel

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146 facility at which a full schedule of live racing or games, as  
147 defined in s. 550.002(11), Florida Statutes, including races or  
148 games under s. 550.475, Florida Statutes, and rebroadcasts of  
149 horse races under s. 550.6308, Florida Statutes, was conducted  
150 during calendar year 2007 and which is not a slot machine  
151 facility under chapter 551, Florida Statutes. A pari-mutuel  
152 facility may become an eligible facility if it meets the  
153 requirements of this subsection for the preceding 3 calendar  
154 years prior to submitting an application to conduct electronic  
155 gaming machines.

156 (12) "Game-winning pattern" means a predetermined pattern  
157 on an electronic bingo card. Each game must have one game-winning  
158 pattern or arrangement that must be common to all players and may  
159 be won by multiple players simultaneously. A game-winning prize  
160 must be awarded in every game. The pattern designated as the  
161 game-winning pattern need not pay the highest prize available in  
162 the game. Other patterns may be designated for the award of bonus  
163 prizes in addition to the prize to be awarded based on the game-  
164 winning pattern.

165 (13) "Manufacturer" means any person who manufactures,  
166 builds, rebuilds, fabricates, assembles, produces, programs,  
167 designs, or modifies any electronic gaming machine or associated  
168 equipment for use or play in this state for gaming purposes. A  
169 manufacturer may be a distributor within the state.

170 (14) "Nonredeemable credits" means electronic gaming  
171 machine operating credits that cannot be redeemed for cash or any  
172 other thing of value by an electronic gaming machine, kiosk, or  
173 the electronic gaming machine licensee and that are provided free  
174 to patrons. Such credits are not nonredeemable credits until they

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175 are metered as credit into an electronic gaming machine and  
176 recorded in the facility-based monitoring system.

177 (15) "Progressive prize" means an established prize for a  
178 bingo game, funded by a percentage of each player's purchase or  
179 wager within one or more licensed facilities for a specific  
180 progressive bingo game, which is awarded to a player for  
181 obtaining a specific predesignated and preannounced pattern  
182 having a specified quantity of numbers or designations randomly  
183 drawn and released or electronically determined or randomly drawn  
184 and released or electronically determined in a specified  
185 sequence. The progressive prize must be rolled over to each  
186 subsequent specific progressive bingo game until it is won.

187 Section 3. Powers and duties of the division and the  
188 Department of Law Enforcement.--

189 (1) The division shall adopt, pursuant to ss. 120.536(1)  
190 and 120.54, Florida Statutes, rules necessary to administer the  
191 operation of electronic gaming machines in this state. The rules  
192 must include:

193 (a) Procedures for applying for and renewing electronic  
194 gaming machine licenses.

195 (b) Technical requirements and qualifications to receive an  
196 electronic gaming machine license or electronic gaming machine  
197 occupational license.

198 (c) Procedures to scientifically test and technically  
199 evaluate electronic gaming machines for compliance with this act.  
200 The division may contract with an independent testing laboratory  
201 to conduct any necessary testing. The independent testing  
202 laboratory must have a national reputation indicating that it is  
203 demonstrably competent and qualified to scientifically test and

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204 evaluate electronic games and electronic gaming machines and to  
205 perform the functions required by this act. An independent  
206 testing laboratory may not be owned or controlled by a licensee.  
207 The selection of an independent testing laboratory for any  
208 purpose related to the conduct of electronic gaming machines by a  
209 licensee shall be made from a list of laboratories approved by  
210 the division.

211 (d) Procedures relating to electronic gaming machine  
212 revenues, including verifying and accounting for such revenues,  
213 auditing, and collecting taxes and fees.

214 (e)1. Procedures for regulating, managing, and auditing the  
215 operation, financial data, and program information relating to  
216 electronic gaming machines that enable the division and the  
217 Department of Law Enforcement to audit the operation, financial  
218 data, and program information of an electronic gaming machine  
219 licensee required by the division or the Department of Law  
220 Enforcement.

221 2. Procedures to allow the division and the Department of  
222 Law Enforcement to monitor, at any time on a real-time basis,  
223 wagering patterns, payouts, tax collection, and compliance with  
224 division rules, including the ability of the division or the  
225 Department of Law Enforcement to suspend play immediately on  
226 particular electronic gaming machines if such monitoring  
227 indicates possible tampering with or manipulation of the  
228 electronic gaming machines or the ability to immediately suspend  
229 play of the entire operation if the tampering or manipulation is  
230 of the computer system. The division shall notify the Department  
231 of Law Enforcement or the Department of Law Enforcement shall  
232 notify the division, as appropriate, when there is a suspension



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233 of play under this paragraph. The division and the Department of  
234 Law Enforcement shall exchange information that is necessary for  
235 and cooperate in the investigation of the circumstances requiring  
236 suspension of play.

237 (f) Procedures to require each licensee, at the licensee's  
238 expense, to supply the division a bond having the penal sum of \$2  
239 million payable to the Governor for each year of the licensee's  
240 electronic gaming machine operations. Any bond shall be issued by  
241 a surety approved by the division and the Chief Financial  
242 Officer, conditioned to pay the Chief Financial Officer as  
243 treasurer of the division. The licensee must keep its books and  
244 records and make reports as provided in this act and conduct  
245 electronic gaming machine operations in conformity with this act  
246 and other provisions of law. Such bond shall be separate from the  
247 bond required in s. 550.125, Florida Statutes.

248 (g) Procedures to require licensees to maintain specified  
249 records and submit any data, information, record, or report,  
250 including financial and income records, required by this act or  
251 determined by the division to be necessary.

252 (h) A requirement that the payout percentage of an  
253 electronic gaming machine be no less than 85 percent, determined  
254 using standard methods of probability theory.

255 (i) Minimum standards for security of the facilities,  
256 including floor plans, security cameras, and other security  
257 equipment.

258 (j) Procedures to require electronic gaming machine  
259 licensees to implement and establish drug-testing programs for  
260 all electronic gaming machine occupational licensees.

261 (2) The division shall conduct investigations necessary to

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262 fulfill its responsibilities.

263 (3) The Department of Law Enforcement and local law  
264 enforcement agencies have concurrent jurisdiction to investigate  
265 criminal violations of this act and may investigate any other  
266 criminal violation of law occurring at the facilities of an  
267 electronic gaming machine licensee. Such investigations may be  
268 conducted in conjunction with the appropriate state attorney.

269 (4) (a) The division, the Department of Law Enforcement, and  
270 local law enforcement agencies have unrestricted access to an  
271 electronic gaming machine licensee's facility at all times and  
272 shall require each electronic gaming machine licensee to strictly  
273 comply with the laws of this state relating to the transaction of  
274 such business. The division, the Department of Law Enforcement,  
275 and local law enforcement agencies may:

276 1. Inspect and examine premises where electronic gaming  
277 machines are offered for play.

278 2. Inspect electronic gaming machines and related equipment  
279 and supplies.

280 (b) In addition, the division may:

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

282 2. Deny, revoke, suspend, or place conditions on the  
283 license of a person who violates this act or rules adopted  
284 pursuant thereto.

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

289 (6) This section does not:

290 (a) Prohibit the Department of Law Enforcement or any law

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291 enforcement authority whose jurisdiction includes a licensed  
292 facility from conducting investigations of criminal activities  
293 occurring at the facility;

294 (b) Restrict access to an electronic gaming machine  
295 licensee's facility by the Department of Law Enforcement or any  
296 local law enforcement authority whose jurisdiction includes the  
297 electronic gaming machine licensee's facility; or

298 (c) Restrict access by the Department of Law Enforcement or  
299 local law enforcement authorities to information and records  
300 necessary to the investigation of criminal activity which are  
301 contained within the electronic gaming machine licensee's  
302 facility.

303 Section 4. License to conduct electronic gaming.--

304 (1) Upon application and a finding by the division after  
305 investigation that the application is complete and the applicant  
306 is qualified and payment of the initial license fee, the division  
307 may issue a license to conduct electronic gaming in any  
308 designated electronic gaming machine area of an eligible  
309 facility.

310 (2) An electronic gaming machine license may be issued only  
311 to a licensed pari-mutuel permitholder, and electronic gaming may  
312 be operated only at the eligible facility at which the  
313 permitholder is authorized under its pari-mutuel wagering permit  
314 to conduct pari-mutuel wagering activities.

315 (3) As a condition of licensure and to maintain continued  
316 authority for the conduct of electronic gaming machines, an  
317 electronic gaming machine licensee shall:

318 (a) Continue to comply with this act.

319 (b) Continue to comply with chapter 550, Florida Statutes,

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320 where applicable, and maintain the pari-mutuel permit and license  
321 in good standing pursuant to chapter 550, Florida Statutes.  
322 Notwithstanding any contrary provision of law, a pari-mutuel  
323 permitholder may, within 60 days after the effective date of this  
324 act, amend its pari-mutuel wagering operating license. The  
325 division shall issue a new license to the permitholder to  
326 effectuate any approved change.

327 (c) Conduct no fewer than a full schedule of live racing or  
328 games as defined in s. 550.002(11), Florida Statutes, including  
329 conducting races or games under s. 550.475, Florida Statutes, or  
330 be authorized to receive broadcasts or horse races under s.  
331 550.6308, Florida Statutes, at the eligible facility. A  
332 permitholder's responsibility to conduct such number of live  
333 races or games shall be reduced by the number of races or games  
334 that could not be conducted due to the direct result of fire,  
335 war, hurricane, or other disaster or event beyond the control of  
336 the permitholder.

337 (d) Upon approval of any changes relating to the pari-  
338 mutuel permit by the division, provide appropriate current and  
339 accurate documentation, on a timely basis, to the division to  
340 maintain the electronic gaming machine license. Changes in  
341 ownership or interest in an electronic gaming machine license of  
342 5 percent or more of the stock or other evidence of ownership or  
343 equity in the electronic gaming machine license or of any parent  
344 corporation or other business entity that owns or controls the  
345 electronic gaming machine license must be approved by the  
346 division prior to such change, unless the owner is an existing  
347 holder of the license who was previously approved by the  
348 division. Any changes in ownership or interest in an electronic

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349 gaming machine license of less than 5 percent, unless such change  
350 results in a cumulative total of 5 percent or more, shall be  
351 reported to the division within 20 days after the change. The  
352 division may conduct an investigation to ensure that the license  
353 is properly updated to show the change in ownership or interest.  
354 Reporting is not required if the person is holding 5 percent or  
355 less equity or securities of a corporate owner of the electronic  
356 gaming machine licensee that has its securities registered  
357 pursuant to section 12 of the Securities Exchange Act of 1934, 15  
358 U.S.C. ss. 78a-78kk, and if such corporation or entity files with  
359 the United States Securities and Exchange Commission the reports  
360 required by section 13 of that act or if the securities of the  
361 corporation or entity are regularly traded on an established  
362 securities market in the United States. A change in ownership or  
363 interest of less than 5 percent which results in a cumulative  
364 ownership or interest of 5 percent or more must be approved by  
365 the division prior to such change unless the owner is an existing  
366 holder of the license who was previously approved by the  
367 division.

368 (e) Allow the division and the Department of Law  
369 Enforcement unrestricted access to and right of inspection of  
370 facilities of an electronic gaming machine licensee in which any  
371 activity relative to the operation of electronic gaming machines  
372 is conducted.

373 (f) Ensure that the computer system that the licensee will  
374 use for operational and accounting functions of the electronic  
375 gaming machine facility is specifically structured to facilitate  
376 regulatory oversight. The computer system shall be designed to  
377 give the division and the Department of Law Enforcement the

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378 ability to monitor, at any time, the wagering patterns, payouts,  
379 tax collection, and such other operations as are necessary to  
380 determine whether the facility is in compliance with statutory  
381 provisions and rules adopted by the division for the regulation  
382 and control of electronic gaming machines. The division and the  
383 Department of Law Enforcement shall have continuous access to  
384 this system, including the ability of the division or the  
385 Department of Law Enforcement to suspend play immediately on  
386 particular electronic gaming machines if monitoring of the system  
387 indicates possible tampering with or manipulation of those  
388 electronic gaming machines or the ability to immediately suspend  
389 play of the entire operation if the tampering or manipulation is  
390 of the computer system. The computer system shall be reviewed and  
391 approved by the division to ensure necessary access, security,  
392 and functionality. The division may adopt rules to provide for  
393 the approval process.

394 (g) Ensure that each electronic gaming machine and game is  
395 protected from manipulation or tampering to affect the random  
396 probabilities of winning plays. The division or the Department of  
397 Law Enforcement may suspend play upon reasonable suspicion of any  
398 manipulation or tampering. When play has been suspended on any  
399 electronic gaming machine, the division or the Department of Law  
400 Enforcement may examine any electronic gaming machine to  
401 determine whether the machine has been tampered with or  
402 manipulated and whether the machine should be returned to  
403 operation.

404 (h) Submit a security plan, including the facilities' floor  
405 plans, the locations of security cameras, and a listing of all  
406 security equipment that is capable of observing and

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407 electronically recording activities being conducted in the  
408 facilities of the electronic gaming machine licensee. The  
409 security plan must meet the minimum security requirements as  
410 determined by the division under this act, and be implemented  
411 prior to operation of electronic gaming machine games. The  
412 electronic gaming machine licensee's facilities must adhere to  
413 the security plan at all times. Any changes to the security plan  
414 must be submitted by the licensee to the division before they are  
415 implemented. The division shall furnish copies of the security  
416 plan and changes in the plan to the Department of Law  
417 Enforcement.

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

419 1. Creating opportunities to purchase from vendors in this  
420 state, including minority vendors.

421 2. Creating opportunities for employment of residents of  
422 this state, including minority residents.

423 3. Ensuring opportunities for construction services from  
424 minority contractors.

425 4. Ensuring that opportunities for employment are offered  
426 on an equal, nondiscriminatory basis.

427 5. Training for employees on responsible gaming and working  
428 with a compulsive or addictive gambling prevention program to  
429 further its purposes as provided for in this act.

430 6. The implementation of a drug-testing program that  
431 includes requiring each employee to sign an agreement that he or  
432 she understands that the electronic gaming machine facility is a  
433 drug-free workplace.

434  
435 The electronic gaming machine licensee shall use the Internet-

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436 based job-listing system of the Agency for Workforce Innovation  
437 in advertising employment opportunities. Beginning in June 2009,  
438 each electronic gaming machine licensee shall submit an annual  
439 report to the division containing information indicating  
440 compliance with this paragraph in regard to minority persons.

441 (j) Ensure that the payout percentage of an electronic  
442 gaming machine is no less than 85 percent, using standard methods  
443 of probability theory.

444 (5) An electronic gaming machine license is not  
445 transferable.

446 (6) An electronic gaming machine licensee shall keep and  
447 maintain permanent daily records of its electronic gaming machine  
448 operation and shall maintain such records for a period of not  
449 less than 5 years. These records must include all financial  
450 transactions and contain sufficient detail to determine  
451 compliance with this act. All records shall be available for  
452 audit and inspection by the division, the Department of Law  
453 Enforcement, or other law enforcement agencies during the  
454 licensee's regular business hours.

455 (7) An electronic gaming machine licensee shall file with  
456 the division a monthly report containing the required records of  
457 such electronic gaming machine operation. The required reports  
458 shall be submitted on forms prescribed by the division and shall  
459 be due at the same time as the monthly pari-mutuel reports are  
460 due. Such reports are public records once filed.

461 (8) An electronic gaming machine licensee shall file with  
462 the division an audit of the receipt and distribution of all  
463 electronic gaming machine revenues provided by an independent  
464 certified public accountant verifying compliance with all



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465 financial and auditing provisions of this act and rules adopted  
466 under this act. The audit must include verification of compliance  
467 with all statutes and rules regarding all required records of  
468 electronic gaming machine operations. Such audit shall be filed  
469 within 60 days after the completion of the permitholder's pari-  
470 mutuel meet.

471 (9) The division may share any information with the  
472 Department of Law Enforcement, any other law enforcement agency  
473 with jurisdiction over electronic gaming machines or pari-mutuel  
474 activities, or any other state or federal law enforcement agency  
475 the division or the Department of Law Enforcement deems  
476 appropriate. Any law enforcement agency having jurisdiction over  
477 electronic gaming machines or pari-mutuel activities may share  
478 with the division information obtained or developed by it.

479 (10) (a) An electronic gaming machine license or renewal may  
480 not be issued to an applicant holding a permit under chapter 550,  
481 Florida Statutes, to conduct pari-mutuel wagering races or games  
482 unless the applicant has on file with the division a binding  
483 written agreement between the applicant and the Florida  
484 Horsemen's Benevolent and Protective Association, Inc., the  
485 Florida Standardbred Breeders and Owners Association, Inc., the  
486 Florida Greyhound Association, Inc., the Florida Quarter Horse  
487 Racing Association, Inc., or the International Jai Alai Players  
488 Association, as applicable, governing the payment of awards and  
489 purses on live thoroughbred, harness, quarter horse, and dog  
490 races or Jai Alai games conducted at the licensee's pari-mutuel  
491 facility. In addition, an electronic gaming machine license or  
492 renewal thereof may not be issued to such an applicant unless the  
493 applicant has on file with the division a binding written

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494 agreement between the applicant and the Florida Thoroughbred  
495 Breeders' Association, Inc., governing the payment of breeders',  
496 stallion, and special racing awards on live thoroughbred races  
497 conducted at the licensee's pari-mutuel facility. The agreement  
498 governing purses and the agreement governing awards may direct  
499 the payment of such purses and awards from revenues generated by  
500 any wagering or games the applicant is authorized to conduct  
501 under state law. All purses and awards are subject to the terms  
502 of chapter 550, Florida Statutes. All sums for breeders',  
503 stallion, and special racing awards shall be remitted monthly to  
504 the Florida Thoroughbred Breeders' Association, Inc., for the  
505 payment of awards subject to the administrative fee authorized in  
506 s. 550.2625(3), Florida Statutes.

507 (b) The division shall suspend an electronic gaming machine  
508 license if any agreement required under paragraph (a) is  
509 terminated or otherwise ceases to operate or if the division  
510 determines that the licensee is materially failing to comply with  
511 the terms of such agreement. Any suspension shall take place in  
512 accordance with chapter 120, Florida Statutes.

513 (c)1. If an agreement required under paragraph (a) cannot  
514 be reached prior to the initial issuance of the electronic gaming  
515 machine license, either party may request arbitration or, in the  
516 case of a renewal, if such agreement is not in place 120 days  
517 prior to the scheduled expiration date of the electronic gaming  
518 machine license, the applicant shall immediately ask the American  
519 Arbitration Association to furnish a list of 11 arbitrators, each  
520 of whom shall have at least 5 years of commercial arbitration  
521 experience and no financial interest in or prior relationship  
522 with any party or with an affiliated or related entity or

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523 principal. Each required party to the agreement shall select a  
524 single arbitrator from the list within 10 days after receipt, and  
525 the persons selected shall choose one additional arbitrator from  
526 the list within 10 days.

527 2. If an agreement required under paragraph (a) is not in  
528 place 60 days after the request under subparagraph 1., in the  
529 case of an initial electronic gaming machine license or, in the  
530 case of a renewal, 60 days prior to the scheduled expiration date  
531 of the license, the matter shall be immediately submitted to  
532 mandatory binding arbitration. The three arbitrators selected  
533 pursuant to subparagraph 1. shall conduct the arbitration  
534 pursuant to the American Arbitration Association Commercial  
535 Arbitration Rules and chapter 682, Florida Statutes.

536 3. At the conclusion of the proceedings, which may be no  
537 later than 90 days after the request under subparagraph 1. in the  
538 case of an initial electronic gaming machine license or, in the  
539 case of a renewal, 30 days prior to the scheduled expiration date  
540 of the electronic gaming machine license, the arbitration panel  
541 shall present to the parties a proposed agreement that the  
542 majority of the panel believes equitably balances the rights,  
543 interests, obligations, and reasonable expectations of the  
544 parties. The parties shall immediately enter into such agreement,  
545 which shall satisfy the requirements of paragraph (a) and permit  
546 issuance of the pending annual electronic gaming machine license  
547 or renewal. The agreement shall be effective until the last day  
548 of the license or renewal period or until the parties enter into  
549 a different agreement. Each party shall pay its respective costs  
550 of arbitration and shall pay one-half of the costs of the  
551 arbitration panel, unless the parties otherwise agree. If the

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552 agreement remains in place 120 days prior to the scheduled  
553 issuance of the next annual license renewal, the arbitration  
554 process established in this paragraph shall begin again.

555 4. If neither agreement required under paragraph (a) is in  
556 place by the deadlines established in this paragraph, arbitration  
557 regarding each agreement will proceed independently, with  
558 separate lists of arbitrators, arbitration panels, arbitration  
559 proceedings, and resulting agreements.

560 5. With respect to the agreement required under paragraph  
561 (a) governing the payment of purses, the arbitration and  
562 resulting agreement is limited to the payment of purses from  
563 electronic gaming machine revenues only.

564 (d) If any provision of this subsection or its application  
565 to any person or circumstance is held invalid, the invalidity  
566 does not affect other provisions or applications of this  
567 subsection or act which can be given effect without the invalid  
568 provision or application, and to this end the provisions of this  
569 subsection are severable.

570 Section 5. Temporary licenses.--

571 (1) Notwithstanding any provision of s. 120.60, Florida  
572 Statutes, to the contrary, the division may issue a temporary  
573 occupational license upon receipt of a complete application and a  
574 determination that the applicant has not been convicted of or had  
575 adjudication withheld on any disqualifying criminal offense. The  
576 temporary occupational license remains valid until the division  
577 grants an occupational license or notifies the applicant of its  
578 intended decision to deny the license pursuant to the provisions  
579 of s. 120.60, Florida Statutes. The division shall adopt rules to  
580 administer this subsection. However, not more than one temporary

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581 license may be issued for any person in any year.

582 (2) A temporary license issued under this section is  
583 nontransferable.

584 Section 6. Electronic gaming machine license renewal.--

585 (1) An electronic gaming machine license is effective for 1  
586 year after issuance and shall be renewed annually. The  
587 application for renewal must contain all revisions to the  
588 information submitted in the prior year's application which are  
589 necessary to maintain such information as accurate and current.

590 (2) The applicant for renewal shall attest that any  
591 information changes do not affect such applicant's qualifications  
592 for license renewal.

593 (3) Upon determination by the division that the application  
594 for renewal is complete and qualifications have been met,  
595 including payment of the renewal fee, the license shall be  
596 renewed.

597 Section 7. License fee; tax rate; penalties.--

598 (1) LICENSE FEE.--

599 (a) Upon submission of the initial application for an  
600 electronic gaming machine license and annually thereafter, on the  
601 anniversary date of the issuance of the initial license, the  
602 licensee must pay to the division a nonrefundable license fee of  
603 \$3 million for the succeeding 12 months of licensure. The fee  
604 shall be deposited into the Pari-mutuel Wagering Trust Fund of  
605 the Department of Business and Professional Regulation to be used  
606 by the division and the Department of Law Enforcement for  
607 investigations, regulation of electronic gaming, and enforcement  
608 of electronic gaming provisions. These payments shall be  
609 accounted for separately from taxes or fees paid pursuant to the

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610 provisions of chapters 550 or 551, Florida Statutes.

611 (b) The division shall evaluate the license fee and submit  
612 recommendations in the legislative budget request regarding the  
613 optimum level of electronic gaming machine license fees required  
614 to adequately support the electronic gaming machine regulatory  
615 program.

616 (2) TAX ON ELECTRONIC GAMING MACHINE REVENUES.--

617 (a) The tax rate on electronic gaming machine revenues at  
618 each facility shall be 35 percent.

619 (b) The electronic gaming machine revenue tax imposed by  
620 this section shall be paid to the division for deposit into the  
621 Pari-mutuel Wagering Trust Fund for immediate transfer by the  
622 Chief Financial Officer for deposit into the Educational  
623 Enhancement Trust Fund of the Department of Education. Any  
624 interest earnings on the tax revenues shall also be transferred  
625 to the Educational Enhancement Trust Fund.

626 (c)1. Funds transferred to the Educational Enhancement  
627 Trust Fund shall be used to supplement public education funding  
628 statewide.

629 2. If necessary to comply with any covenant established  
630 pursuant to s. 1013.68(4), s. 1013.70(1), or s. 1013.737(3),  
631 Florida Statutes, funds transferred to the Educational  
632 Enhancement Trust Fund shall first be available to pay debt  
633 service on lottery bonds issued to fund school construction in  
634 the event lottery revenues are insufficient for such purpose or  
635 to satisfy debt service reserve requirements established in  
636 connection with lottery bonds. Moneys available pursuant to this  
637 subparagraph are subject to annual appropriation by the  
638 Legislature.

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639       (3) PAYMENT AND DISPOSITION OF TAXES.--Payment for the tax  
640 on electronic gaming machine revenues imposed by this section  
641 shall be paid to the division. The division shall deposit such  
642 funds with the Chief Financial Officer, to the credit of the  
643 Pari-mutuel Wagering Trust Fund. The electronic gaming machine  
644 licensee shall remit to the division payment for the tax on  
645 electronic gaming machine revenues by 3 p.m. Wednesday of each  
646 week for taxes imposed and collected for the preceding week  
647 ending on Sunday. The electronic gaming machine licensee shall  
648 file a report under oath by the 5th day of each calendar month  
649 for all taxes remitted during the preceding calendar month. Such  
650 payments shall be accompanied by a report under oath showing all  
651 electronic gaming machine gaming activities for the preceding  
652 calendar month and such other information as may be prescribed by  
653 the division.

654       (4) FAILURE TO PAY TAX; PENALTIES.--An electronic gaming  
655 machine licensee who does not make tax payments required under  
656 this section is subject to an administrative penalty of up to  
657 \$10,000 for each day the tax payment is not remitted. All  
658 administrative penalties imposed and collected shall be deposited  
659 into the Pari-mutuel Wagering Trust Fund of the Department of  
660 Business and Professional Regulation. If an electronic gaming  
661 machine licensee does not pay penalties imposed by the division,  
662 the division may suspend, revoke, or refuse to renew the license  
663 of the electronic gaming machine licensee.

664       (5) SUBMISSION OF FUNDS.--The division may require  
665 electronic gaming machine licensees to remit taxes, fees, fines,  
666 and assessments by electronic funds transfer.

667       Section 8. Electronic gaming machine occupational license;

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668 findings; application; fee.--

669 (1) The Legislature finds that licensees under this section  
670 require heightened state scrutiny, including the submission by  
671 individual licensees or persons associated with those entities of  
672 fingerprints for a criminal history record check.

673 (2) (a) The following electronic gaming machine occupational  
674 licenses shall be issued to applicants that, by virtue of the  
675 positions they hold, might be granted access to electronic gaming  
676 machine areas or to any other person or entity in one of the  
677 following categories:

678 1. General occupational licenses for general employees,  
679 including food service, maintenance, and other similar service  
680 and support employees having access to the electronic gaming  
681 machine area.

682 2. Professional occupational licenses for any person,  
683 proprietorship, partnership, corporation, or other entity that is  
684 authorized by an electronic gaming machine licensee to manage,  
685 oversee, or otherwise control daily operations as an electronic  
686 gaming machine manager, floor supervisor, security personnel, or  
687 other similar position of oversight of gaming operations, or any  
688 person who is not an employee of the electronic gaming machine  
689 licensee and who provides maintenance, repair, or upgrades or  
690 otherwise services an electronic gaming machine or other  
691 electronic gaming machine equipment.

692 3. Business occupational licenses for any electronic gaming  
693 machine management company or company associated with electronic  
694 gaming, any person who manufactures, distributes, or sells  
695 electronic gaming machines, electronic gaming machine  
696 paraphernalia, or other associated equipment to electronic gaming



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697 machine licensees, or any company that sells or provides goods or  
698 services associated with electronic gaming to electronic gaming  
699 machine licensees.

700 (b) The division may issue one license in order to combine  
701 licenses under this section with pari-mutuel occupational  
702 licenses and cardroom licenses pursuant to s. 550.105(2)(b),  
703 Florida Statutes. The division shall adopt rules pertaining to  
704 occupational licenses under this subsection. Such rules may  
705 specify requirements and restrictions for licensed occupations  
706 and categories, procedures to apply for a license or combination  
707 of licenses, disqualifying criminal offenses for a licensed  
708 occupation or categories of occupations, and which types of  
709 occupational licenses may be combined into a single license under  
710 this section. The fingerprinting requirements of subsection (7)  
711 apply to any combination license that includes electronic gaming  
712 machine license privileges. The division may not adopt a rule  
713 allowing the issuance of an occupational license to any person  
714 who does not meet the minimum background qualifications of this  
715 section.

716 (c) Electronic gaming machine occupational licenses are not  
717 transferable.

718 (3) An electronic gaming machine licensee may not employ or  
719 otherwise allow a person to work at a licensed facility unless  
720 such person holds the appropriate valid occupational license. An  
721 electronic gaming machine licensee may not contract or otherwise  
722 conduct business with a business required to hold an electronic  
723 gaming machine occupational license unless the business holds  
724 such a license. An electronic gaming machine licensee may not  
725 employ or otherwise allow a person to work in a supervisory or

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726 management professional level at a licensed facility unless such  
727 person holds a valid electronic gaming machine occupational  
728 license. All electronic gaming machine occupational licensees,  
729 while present in electronic gaming machine areas, shall display  
730 on their persons their occupational license identification cards.

731 (4) (a) A person seeking an electronic gaming machine  
732 occupational license or renewal thereof shall apply on forms  
733 prescribed by the division and include payment of the appropriate  
734 application fee. Initial and renewal applications for electronic  
735 gaming machine occupational licenses must contain all information  
736 that the division, by rule, requires.

737 (b) An electronic gaming machine license or combination  
738 license is valid for the same term as a pari-mutuel occupational  
739 license issued pursuant to s. 550.105(1), Florida Statutes.

740 (c) Pursuant to rules adopted by the division, any person  
741 may apply for and, if qualified, be issued an electronic gaming  
742 machine occupational license valid for a period of 3 years upon  
743 payment of the full occupational license fee for each of the 3  
744 years for which the license is issued. The electronic gaming  
745 machine occupational license is valid during its specified term  
746 at any licensed facility where electronic gaming machine gaming  
747 is authorized to be conducted.

748 (d) The electronic gaming machine occupational license fee  
749 for initial application and annual renewal shall be determined by  
750 rule of the division but may not exceed \$50 for a general or  
751 professional occupational license for an employee of the  
752 electronic gaming machine licensee or \$1,000 for a business  
753 occupational license for nonemployees of the licensee who provide  
754 goods or services to the electronic gaming machine licensee.

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755 License fees for general occupational licenses shall be paid by  
756 the electronic gaming machine licensee. Failure to pay the  
757 required fee constitutes grounds for disciplinary action by the  
758 division against the electronic gaming machine licensee, but it  
759 is not a violation of this act or rules of the division by the  
760 general occupational licensee and does not prohibit the initial  
761 issuance or the renewal of the general occupational license.

762 (5) The division may:

763 (a) Deny an application for, or revoke, suspend, or place  
764 conditions or restrictions on, a license of an applicant or  
765 licensee that has been refused a license by another state gaming  
766 commission, governmental department, agency, or other authority  
767 exercising regulatory jurisdiction over the gaming of another  
768 state or jurisdiction; or

769 (b) Deny an application for, or suspend, or place  
770 conditions on a license of any applicant or licensee that is  
771 under suspension or has unpaid fines in another state or  
772 jurisdiction.

773 (6) (a) The division may deny, suspend, revoke, or refuse to  
774 renew any electronic gaming machine occupational license if the  
775 applicant or licensee has violated this act or the rules  
776 governing the conduct of persons connected with electronic games  
777 or gaming. In addition, the division may deny, suspend, revoke,  
778 or refuse to renew any electronic gaming machine occupational  
779 license if the applicant or licensee has been convicted under the  
780 laws of this state or of another state, or under the laws of the  
781 United States, of a capital felony, a felony, or an offense in  
782 another state which would be a felony under the laws of this  
783 state involving arson; trafficking in, conspiracy to traffic in,

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784 smuggling, importing, conspiracy to smuggle or import, or  
785 delivery, sale, or distribution of a controlled substance;  
786 racketeering; or a crime showing a lack of good moral character,  
787 or has had a gaming license revoked by this state or another  
788 jurisdiction for any gaming-related offense.

789 (b) The division may deny, revoke, or refuse to renew any  
790 electronic gaming machine occupational license if the applicant  
791 or licensee has been convicted of a felony or misdemeanor in this  
792 state, in another state, or under the laws of the United States  
793 if such felony or misdemeanor is related to gambling or  
794 bookmaking as described in s. 849.25, Florida Statutes.

795 (c) As used in this subsection, the term "convicted" means  
796 having been found guilty, with or without adjudication of guilt,  
797 as a result of a jury verdict, nonjury trial, or entry of a plea  
798 of guilty or nolo contendere.

799 (7) Fingerprints for electronic gaming machine occupational  
800 license applications shall be taken in a manner approved by the  
801 division and shall be submitted electronically to the Department  
802 of Law Enforcement for state processing and to the Federal Bureau  
803 of Investigation for national processing for a criminal history  
804 record check. All persons as specified in s. 550.1815(1) (a),  
805 Florida Statutes, employed by or working within licensed premises  
806 shall submit fingerprints for a criminal history record check and  
807 may not have been convicted of any disqualifying criminal  
808 offenses specified in subsection (6). Division employees and law  
809 enforcement officers assigned to work within such premises as  
810 part of their official duties are excluded from the criminal  
811 history record check requirements. As used in this subsection,  
812 the term "convicted" means having been found guilty, with or

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813 without adjudication of guilt, as a result of a jury verdict,  
814 nonjury trial, or entry of a plea of guilty or nolo contendere.

815 (a) Fingerprints shall be taken in a manner approved by the  
816 division upon initial application, or as required thereafter by  
817 rule of the division, and shall be submitted electronically to  
818 the Department of Law Enforcement for state processing. The  
819 Department of Law Enforcement shall forward the fingerprints to  
820 the Federal Bureau of Investigation for national processing. The  
821 results of the criminal history record check shall be returned to  
822 the division for screening. Licensees shall provide necessary  
823 equipment, approved by the Department of Law Enforcement, to  
824 facilitate such electronic submission. The division requirements  
825 shall be instituted in consultation with the Department of Law  
826 Enforcement.

827 (b) The cost of processing fingerprints and conducting a  
828 criminal history record check for a general occupational license  
829 shall be paid by the electronic gaming machine licensee. The cost  
830 of processing fingerprints and conducting a criminal history  
831 record check for a business or professional occupational license  
832 shall be paid by the person being checked. The Department of Law  
833 Enforcement may invoice the division for the fingerprints  
834 submitted each month.

835 (c) All fingerprints submitted to the Department of Law  
836 Enforcement shall be retained by the Department of Law  
837 Enforcement and entered into the statewide automated fingerprint  
838 identification system as authorized by s. 943.05(2)(b), Florida  
839 Statutes, and shall be available for all purposes and uses  
840 authorized for arrest fingerprint cards in the statewide  
841 automated fingerprint identification system pursuant to s.

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842 943.051, Florida Statutes.

843 (d) The Department of Law Enforcement shall search all  
844 arrest fingerprints received pursuant to s. 943.051, Florida  
845 Statutes, against the fingerprints retained in the statewide  
846 automated fingerprint identification system. Any arrest record  
847 that is identified with the retained fingerprints of a person  
848 subject to the criminal history screening requirements shall be  
849 reported to the division. Each licensed facility shall pay a fee  
850 for the cost of retention of the fingerprints and the ongoing  
851 searches under this paragraph. The division shall forward the fee  
852 to the Department of Law Enforcement. The amount of the fee to be  
853 imposed for such searches and the procedures for the retention of  
854 licensee fingerprints shall be as established by rule of the  
855 Department of Law Enforcement. The division shall inform the  
856 Department of Law Enforcement of any change in the license status  
857 of licensees whose fingerprints are retained.

858 (e) The division shall request the Department of Law  
859 Enforcement to forward the fingerprints to the Federal Bureau of  
860 Investigation for a national criminal history records check every  
861 3 years following issuance of a license. If the fingerprints of a  
862 person who is licensed have not been retained by the Department  
863 of Law Enforcement, the person must file a complete set of  
864 fingerprints as provided in paragraph (a). The division shall  
865 collect the fees for the cost of the national criminal history  
866 record check and shall forward the payment to the Department of  
867 Law Enforcement. The cost of processing fingerprints and  
868 conducting a criminal history record check for a general  
869 occupational license shall be paid by the electronic gaming  
870 machine licensee. The cost of processing fingerprints and

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871 conducting a criminal history record check for a business or  
872 professional occupational license shall be paid by the person  
873 being checked. The Department of Law Enforcement may invoice the  
874 division for the fingerprints submitted each month. Under penalty  
875 of perjury, each person who is licensed or fingerprinted must  
876 agree to inform the division within 48 hours if he or she is  
877 convicted of or enters a plea of guilty or nolo contendere to any  
878 disqualifying offense, regardless of adjudication.

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

881 (9) The division may deny, revoke, or suspend any  
882 occupational license if the applicant or licensee accumulates  
883 unpaid obligations, defaults in obligations, or issues drafts or  
884 checks that are dishonored or for which payment is refused  
885 without reasonable cause.

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

890 (11) The division may impose a civil fine of up to \$5,000  
891 for each violation of this act or the rules of the division in  
892 addition to or in lieu of any other penalty. The division may  
893 adopt a penalty schedule for violations for which it would impose  
894 a fine in lieu of a suspension and adopt rules allowing for the  
895 issuance of citations, including procedures to address such  
896 citations, to persons who violate such rules. In addition to any  
897 other penalty provided by law, the division may exclude from all  
898 licensed electronic gaming machine facilities in this state, for  
899 a period not to exceed the period of suspension, revocation, or

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900 ineligibility, any person whose occupational license application  
901 has been refused or who has been declared ineligible to hold an  
902 occupational license or whose occupational license has been  
903 suspended or revoked by the division.

904 Section 9. Prohibited relationships.--

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

907 (a) Be an officer, director, owner, or employee of any  
908 person licensed by the division.

909 (b) Have or hold any interest, direct or indirect, in or  
910 engage in any commerce or business relationship with any person  
911 licensed by the division.

912 (2) A manufacturer or distributor of electronic gaming  
913 machines may not enter into any contract with an electronic  
914 gaming machine licensee which provides for any revenue sharing  
915 that is directly or indirectly calculated on the basis of a  
916 percentage of electronic gaming machine revenues. Any maneuver,  
917 shift, or device whereby this subsection is violated is a  
918 violation of this act and renders any such agreement void.

919 (3) A manufacturer or distributor of electronic gaming  
920 machines or equipment necessary for the operation of electronic  
921 gaming machines or an officer, director, or employee of any such  
922 manufacturer or distributor may not have any ownership or  
923 financial interest in an electronic gaming machine license or any  
924 business owned by an electronic gaming machine licensee.

925 (4) An employee of the division or relative living in the  
926 same household as such employee may not wager on an electronic  
927 gaming machine located at a facility licensed by the division.

928 (5) An occupational licensee or relative living in the same



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929 household as the licensee may not wager on an electronic gaming  
930 machine located at a facility operated by such licensee.

931 Section 10. Prohibited acts; penalties.--

932 (1) Except as otherwise provided by law and in addition to  
933 any other penalty, a person who knowingly makes or causes to be  
934 made, or aids, assists, or procures another to make, a false  
935 statement in any report, disclosure, application, or other  
936 document required under this act or under any rule adopted under  
937 this act is subject to an administrative fine or civil penalty of  
938 up to \$10,000.

939 (2) Except as otherwise provided by law and in addition to  
940 any other penalty, a person who possesses an electronic gaming  
941 machine without a license or who possesses an electronic gaming  
942 machine at a location other than at the electronic gaming machine  
943 licensee's facility is subject to an administrative fine or civil  
944 penalty of up to \$10,000 per machine. This prohibition does not  
945 apply to:

946 (a) Electronic gaming machine manufacturers or distributors  
947 that hold appropriate licenses who are authorized to maintain an  
948 electronic gaming machine storage and maintenance facility in  
949 this state. The division may adopt rules regarding security and  
950 access to the storage facility and inspections.

951 (b) Certified educational facilities that are authorized to  
952 maintain electronic gaming machines for education and licensure  
953 of electronic gaming machine technicians, inspectors, or  
954 investigators. The division and the Department of Law Enforcement  
955 may possess electronic gaming machines for training and testing  
956 purposes. The division may adopt rules regarding the regulation  
957 of such electronic gaming machines.

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958       (3) A person who knowingly excludes or attempts to exclude,  
959 anything of value from the deposit, counting, collection, or  
960 computation of revenues from electronic gaming machine activity,  
961 or a person who by trick, sleight-of-hand, fraud, or device wins  
962 or attempts to win money or property, or to reduce a losing wager  
963 in connection with electronic gaming machine gaming commits a  
964 felony of the third degree, punishable as provided in s. 775.082,  
965 s. 775.083, or s. 775.084, Florida Statutes.

966       (4) Any person who manipulates or attempts to manipulate  
967 the outcome, payoff, or operation of an electronic gaming machine  
968 by physical tampering or the use of an object, instrument, or  
969 device, whether mechanical, electrical, or magnetic, or by other  
970 means, commits a felony of the third degree, punishable as  
971 provided in s. 775.082, s. 775.083, or s. 775.084, Florida  
972 Statutes.

973       (5) Theft of electronic gaming machine proceeds or property  
974 belonging to an electronic gaming machine operator, licensee, or  
975 licensed facility by an employee of the operator or facility or a  
976 person contracted to provide services to the operator or facility  
977 constitutes a felony of the third degree, punishable as provided  
978 in s. 775.082 or s. 775.083, Florida Statutes.

979       (6) (a) A law enforcement officer or electronic gaming  
980 machine operator who has probable cause to believe that a person  
981 has committed a violation of subsection (3), subsection (4), or  
982 subsection (5) may take into custody on the premises and detain  
983 the person in a reasonable manner for a reasonable time. If the  
984 operator takes the person into custody, a law enforcement officer  
985 shall be called to the scene immediately. The taking into custody  
986 and detention by a law enforcement officer or electronic gaming

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987 machine operator, if done in compliance with this subsection,  
988 does not render such law enforcement officer, or the officer's  
989 agency, or the electronic gaming machine operator criminally or  
990 civilly liable for false arrest, false imprisonment, or unlawful  
991 detention.

992 (b) A law enforcement officer may arrest, on or off the  
993 premises and without warrant, any person if the officer has  
994 probable cause to believe that person has violated subsection  
995 (3), subsection (4), or subsection (5).

996 (c) A person who resists the reasonable effort of a law  
997 enforcement officer or electronic gaming machine operator to take  
998 into custody a person who is violating subsection (3), subsection  
999 (4), or subsection (5) commits a misdemeanor of the first degree,  
1000 punishable as provided in s. 775.082 or s. 775.083, Florida  
1001 Statutes, unless the person did not know or have reason to know  
1002 that the person seeking to take him or her into custody was a law  
1003 enforcement officer or electronic gaming machine operator.

1004 (7) Penalties imposed and collected under this section must  
1005 be deposited into the Pari-mutuel Wagering Trust Fund of the  
1006 Department of Business and Professional Regulation.

1007 Section 11. Legal devices.--Notwithstanding any provision  
1008 of law to the contrary, electronic gaming machines manufactured,  
1009 sold, distributed, possessed, or operated pursuant to this act  
1010 are lawful in this state.

1011 Section 12. Exclusions of certain persons.--In addition to  
1012 the power to exclude certain persons, the division may exclude  
1013 any person from a facility of an electronic gaming machine  
1014 licensee in this state for conduct that would constitute, if the  
1015 person were a licensee, a violation of this act or the rules of

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1016 the division. The division may exclude a person who has been  
1017 ejected from a facility or who has been excluded from a facility  
1018 in another state by the governmental authority exercising  
1019 regulatory jurisdiction over the gaming in such other state. This  
1020 section does not abrogate the common law right of an electronic  
1021 gaming machine licensee to exclude a patron.

1022 Section 13. Persons prohibited from operating electronic  
1023 gaming machines.--

1024 (1) A person who has not attained 21 years of age may not  
1025 operate or play an electronic gaming machine or have access to  
1026 the designated electronic gaming machine area of a facility of an  
1027 electronic gaming machine licensee.

1028 (2) An electronic gaming machine licensee or agent or  
1029 employee of an electronic gaming machine licensee may not  
1030 knowingly allow a person who has not attained 21 years of age:

1031 (a) To play or operate an electronic gaming machine.

1032 (b) To be employed in any position allowing or requiring  
1033 access to the designated gaming area of a facility of an  
1034 electronic gaming machine licensee.

1035 (c) To have access to the designated gaming area of a  
1036 facility of an electronic gaming machine licensee.

1037 (3) A licensed facility shall post clear and conspicuous  
1038 signage within the designated electronic gaming machine areas  
1039 which states:

1041 THE PLAYING OF ELECTRONIC GAMING MACHINES BY PERSONS UNDER  
1042 THE AGE OF 21 IS AGAINST FLORIDA LAW (CITE TO FLORIDA  
1043 STATUTES SECTION). PROOF OF AGE MAY BE REQUIRED AT ANY TIME.  
1044

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1045 Section 14. Electronic gaming machine areas.--

1046 (1) An electronic gaming machine licensee may make  
1047 available for play up to 2,000 electronic gaming machines within  
1048 the eligible facilities of the electronic gaming machine licensee  
1049 in a designated electronic gaming machine area.

1050 (2) The electronic gaming machine licensee shall display  
1051 pari-mutuel races or games within the designated electronic  
1052 gaming machine areas and offer patrons within such areas the  
1053 opportunity to wager on live, intertrack, and simulcast races  
1054 offered to the patrons.

1055 (3) The division shall require the posting of signs warning  
1056 of the risks and dangers of gambling, showing the odds of  
1057 winning, and informing patrons of the toll-free telephone number  
1058 available to provide information and referral services regarding  
1059 compulsive or problem gambling.

1060 (4) Designated electronic gaming machine areas may be  
1061 located within the current live gaming facility or an existing  
1062 building that is contiguous and connected to the live gaming  
1063 facility. If such gaming area is to be located in a building that  
1064 is not yet constructed, the new building must be contiguous and  
1065 connected to the live gaming facility.

1066 (5) A permit holder shall provide adequate office space at  
1067 no cost to the division and the Department of Law Enforcement for  
1068 the oversight of electronic gaming machine operations. The  
1069 division shall adopt rules establishing criteria for adequate  
1070 space, configuration, and location and needed electronic and  
1071 technological requirements.

1072 Section 15. Days and hours of operation.--Electronic gaming  
1073 machine areas may be open daily throughout the year. They may be

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1074 open a cumulative total of 18 hours per day on Monday through  
1075 Friday and 24 hours per day on Saturday and Sunday and on  
1076 holidays specified in s. 110.117(1), Florida Statutes.

1077 Section 16. Penalties.--The division may revoke or suspend  
1078 an electronic gaming machine license issued under this act upon  
1079 the willful violation by the licensee of any provision of this  
1080 act or rule adopted under this act. In lieu of suspending or  
1081 revoking an electronic gaming machine license, the division may  
1082 impose a civil penalty against the licensee for such violation.  
1083 Except as otherwise provided in this act, the division may not  
1084 impose a penalty that exceeds \$100,000 for each count or separate  
1085 offense. All fines collected must be deposited into the Pari-  
1086 mutuel Wagering Trust Fund of the Department of Business and  
1087 Professional Regulation.

1088 Section 17. Compulsive or addictive gambling prevention  
1089 program.--

1090 (1) Each electronic gaming machine licensee shall offer  
1091 training to employees on responsible gaming and shall work with a  
1092 compulsive or addictive gambling prevention program to recognize  
1093 problem gaming situations and implement responsible gaming  
1094 programs and practices.

1095 (2) The division shall, subject to competitive bidding,  
1096 contract for services related to the prevention of compulsive and  
1097 addictive gambling. The contract shall require an advertising  
1098 program to encourage responsible gaming practices and publicize a  
1099 gambling telephone help line. Such advertisements must be made  
1100 both publicly and inside the designated electronic gaming machine  
1101 areas of the licensee's facilities. The terms of any contract for  
1102 such services shall include accountability standards for any

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1103 private provider. The failure of a private provider to meet any  
1104 material term of the contract, including the accountability  
1105 standards, constitutes a breach of contract or grounds for  
1106 nonrenewal.

1107 (3) The compulsive or addictive gambling prevention program  
1108 shall be funded from an annual nonrefundable regulatory fee of  
1109 \$250,000 paid by each licensee.

1110 Section 18. Caterer's license.--An electronic gaming  
1111 machine licensee is entitled to a caterer's license pursuant to  
1112 s. 565.02, Florida Statutes, on days on which the pari-mutuel  
1113 facility is open to the public for electronic gaming machine  
1114 play.

1115 Section 19. Prohibited activities and devices;  
1116 exceptions.--

1117 (1) Complimentary or reduced-cost alcoholic beverages may  
1118 not be served to persons playing an electronic gaming machine.  
1119 Alcoholic beverages shall cost at least the same amount as  
1120 alcoholic beverages served to the general public at any bar  
1121 within the facility.

1122 (2) An electronic gaming machine licensee may not make  
1123 loans, provide credit, or advance cash to enable a person to play  
1124 an electronic gaming machine. This subsection does not prohibit  
1125 automated ticket redemption machines that dispense cash from the  
1126 redemption of tickets from being located in the designated  
1127 electronic gaming machine gaming area.

1128 (3) An automated teller machine or similar device designed  
1129 to provide credit or dispense cash may not be located within the  
1130 designated electronic gaming machine area of a facility of an  
1131 electronic gaming machine licensee.

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1132       (4) (a) An electronic gaming machine licensee may not accept  
1133 or cash a check from any person within the designated electronic  
1134 gaming machine area of a facility.

1135       (b) Except as provided in paragraph (c) for employees of  
1136 the facility, an electronic gaming machine licensee may not  
1137 accept or cash for any person within the facility a government-  
1138 issued check, third-party check, or payroll check made payable to  
1139 an individual.

1140       (c) Outside the designated electronic gaming machine gaming  
1141 area, an electronic gaming machine licensee or operator may  
1142 accept or cash a check for an employee of the facility who is  
1143 prohibited from wagering on an electronic gaming machine under s.  
1144 551.108(5), Florida Statutes, a check made payable to a person  
1145 licensed by the division, or a check made payable to the licensee  
1146 or operator from:

- 1147       1. A pari-mutuel patron; or
- 1148       2. A pari-mutuel facility in any state.

1149       (d) Unless accepting or cashing a check is prohibited by  
1150 this subsection, an electronic gaming machine licensee or  
1151 operator may accept and deposit in its accounts checks received  
1152 in the normal course of business.

1153       (5) An electronic gaming machine, or the computer operating  
1154 system linking the electronic gaming machine, may be linked to  
1155 any other electronic gaming machine or computer operating system  
1156 within this state.

1157       (6) An electronic gaming machine located within a licensed  
1158 facility may accept only tickets or an electronic payment system  
1159 for wagering and return or deliver payouts to the players in the  
1160 form of tickets that may be exchanged for cash, merchandise, or



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1161 other items of value. The use of coins, currency, credit or debit  
1162 cards, tokens, or similar objects is prohibited. However, an  
1163 electronic credit system may be used for receiving wagers and  
1164 making payouts.

1165 Section 20. Rulemaking.--The division may adopt rules  
1166 pursuant to ss. 120.536(1) and 120.54, Florida Statutes, to  
1167 administer this act.

1168 Section 21. The Legislature finds and declares that it has  
1169 exclusive authority over the conduct of all wagering occurring at  
1170 electronic gaming machine facilities in this state. Only the  
1171 Division of Pari-mutuel Wagering and other authorized state  
1172 agencies may administer this act and regulate the electronic  
1173 gaming machine industry, including operation of electronic gaming  
1174 machine facilities, games, electronic gaming machines, and  
1175 facilities-based computer systems authorized in this act and the  
1176 rules adopted by the division.

1177 Section 22. Exception to s. 849.0931, Florida  
1178 Statutes.--The electronic gaming machines authorized by this act  
1179 are not subject to the provisions of s. 849.0931, Florida  
1180 Statutes.

1181 Section 23. Paragraph (w) is added to subsection (1) of  
1182 section 215.22, Florida Statutes, to read:

1183 215.22 Certain income and certain trust funds exempt.--

1184 (1) The following income of a revenue nature or the  
1185 following trust funds shall be exempt from the appropriation  
1186 required by s. 215.20(1):

1187 (w) Taxes imposed on electronic gaming and electronic  
1188 gaming machines at eligible pari-mutuel facilities.

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1189 Section 24. Subsection (2) of section 849.15, Florida  
1190 Statutes, is amended to read:

1191 849.15 Manufacture, sale, possession, etc., of coin-  
1192 operated devices prohibited.--

1193 (2) Pursuant to section 2 of that chapter of the Congress  
1194 of the United States entitled "An act to prohibit transportation  
1195 of gaming devices in interstate and foreign commerce," approved  
1196 January 2, 1951, being ch. 1194, 64 Stat. 1134, and also  
1197 designated as 15 U.S.C. ss. 1171-1177, the State of Florida,  
1198 acting by and through the duly elected and qualified members of  
1199 its Legislature, does hereby in this section, and in accordance  
1200 with and in compliance with the provisions of section 2 of such  
1201 chapter of Congress, declare and proclaim that any county of the  
1202 State of Florida within which slot machine gaming is authorized  
1203 pursuant to chapter 551 or electronic gaming is authorized is  
1204 exempt from the provisions of section 2 of that chapter of the  
1205 Congress of the United States entitled "An act to prohibit  
1206 transportation of gaming devices in interstate and foreign  
1207 commerce," designated as 15 U.S.C. ss. 1171-1177, approved  
1208 January 2, 1951. All shipments of gaming devices, including slot  
1209 machines and electronic gaming machines, into any county of this  
1210 state within which slot machine gaming is authorized pursuant to  
1211 chapter 551 or electronic gaming is authorized at eligible pari-  
1212 mutuel facilities and the registering, recording, and labeling of  
1213 which have been duly performed by the manufacturer or distributor  
1214 thereof in accordance with sections 3 and 4 of that chapter of  
1215 the Congress of the United States entitled "An act to prohibit  
1216 transportation of gaming devices in interstate and foreign  
1217 commerce," approved January 2, 1951, being ch. 1194, 64 Stat.

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1218 1134, and also designated as 15 U.S.C. ss. 1171-1177, shall be  
1219 deemed legal shipments thereof into this state provided the  
1220 destination of such shipments is an eligible slot machine  
1221 facility as defined in s. 551.102, an eligible electronic gaming  
1222 machine facility, a certified educational facility, or the  
1223 facility of a slot machine manufacturer or slot machine  
1224 distributor as provided in s. 551.109(2) (a), a certified  
1225 educational facility, or the facility of an electronic gaming  
1226 machine manufacturer or electronic gaming machine distributor  
1227 authorized to possess electronic gaming machines as provided in  
1228 the act authorizing electronic gaming machines at eligible pari-  
1229 mutuel facilities.

1230 Section 25. Subsections (1) and (2) of section 895.02,  
1231 Florida Statutes, are amended to read:

1232 895.02 Definitions.--As used in ss. 895.01-895.08, the  
1233 term:

1234 (1) "Racketeering activity" means to commit, to attempt to  
1235 commit, to conspire to commit, or to solicit, coerce, or  
1236 intimidate another person to commit:

1237 (a) Any crime that is chargeable by indictment or  
1238 information under the following provisions of the Florida  
1239 Statutes:

1240 1. Section 210.18, relating to evasion of payment of  
1241 cigarette taxes.

1242 2. Section 403.727(3) (b), relating to environmental  
1243 control.

1244 3. Section 409.920 or s. 409.9201, relating to Medicaid  
1245 fraud.

1246 4. Section 414.39, relating to public assistance fraud.

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- 1247 5. Section 440.105 or s. 440.106, relating to workers'  
1248 compensation.
- 1249 6. Section 443.071(4), relating to creation of a fictitious  
1250 employer scheme to commit unemployment compensation fraud.
- 1251 7. Section 465.0161, relating to distribution of medicinal  
1252 drugs without a permit as an Internet pharmacy.
- 1253 8. Sections 499.0051, 499.0052, 499.00535, 499.00545, and  
1254 499.0691, relating to crimes involving contraband and adulterated  
1255 drugs.
- 1256 9. Part IV of chapter 501, relating to telemarketing.
- 1257 10. Chapter 517, relating to sale of securities and  
1258 investor protection.
- 1259 11. Section 550.235, s. 550.3551, or s. 550.3605, relating  
1260 to dogracing and horseracing.
- 1261 12. Chapter 550, relating to jai alai frontons.
- 1262 13. Section 551.109, relating to slot machine gaming.
- 1263 14. Chapter 552, relating to the manufacture, distribution,  
1264 and use of explosives.
- 1265 15. Chapter 560, relating to money transmitters, if the  
1266 violation is punishable as a felony.
- 1267 16. Chapter 562, relating to beverage law enforcement.
- 1268 17. Section 624.401, relating to transacting insurance  
1269 without a certificate of authority, s. 624.437(4)(c)1., relating  
1270 to operating an unauthorized multiple-employer welfare  
1271 arrangement, or s. 626.902(1)(b), relating to representing or  
1272 aiding an unauthorized insurer.
- 1273 18. Section 655.50, relating to reports of currency  
1274 transactions, when such violation is punishable as a felony.

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- 1275 19. Chapter 687, relating to interest and usurious  
1276 practices.
- 1277 20. Section 721.08, s. 721.09, or s. 721.13, relating to  
1278 real estate timeshare plans.
- 1279 21. Chapter 782, relating to homicide.
- 1280 22. Chapter 784, relating to assault and battery.
- 1281 23. Chapter 787, relating to kidnapping or human  
1282 trafficking.
- 1283 24. Chapter 790, relating to weapons and firearms.
- 1284 25. Section 796.03, s. 796.035, s. 796.04, s. 796.045, s.  
1285 796.05, or s. 796.07, relating to prostitution and sex  
1286 trafficking.
- 1287 26. Chapter 806, relating to arson.
- 1288 27. Section 810.02(2)(c), relating to specified burglary of  
1289 a dwelling or structure.
- 1290 28. Chapter 812, relating to theft, robbery, and related  
1291 crimes.
- 1292 29. Chapter 815, relating to computer-related crimes.
- 1293 30. Chapter 817, relating to fraudulent practices, false  
1294 pretenses, fraud generally, and credit card crimes.
- 1295 31. Chapter 825, relating to abuse, neglect, or  
1296 exploitation of an elderly person or disabled adult.
- 1297 32. Section 827.071, relating to commercial sexual  
1298 exploitation of children.
- 1299 33. Chapter 831, relating to forgery and counterfeiting.
- 1300 34. Chapter 832, relating to issuance of worthless checks  
1301 and drafts.
- 1302 35. Section 836.05, relating to extortion.
- 1303 36. Chapter 837, relating to perjury.

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- 1304 37. Chapter 838, relating to bribery and misuse of public  
1305 office.
- 1306 38. Chapter 843, relating to obstruction of justice.
- 1307 39. Section 847.011, s. 847.012, s. 847.013, s. 847.06, or  
1308 s. 847.07, relating to obscene literature and profanity.
- 1309 40. Section 849.09, s. 849.14, s. 849.15, s. 849.23, or s.  
1310 849.25, relating to gambling.
- 1311 41. Chapter 874, relating to criminal street gangs.
- 1312 42. Chapter 893, relating to drug abuse prevention and  
1313 control.
- 1314 43. Chapter 896, relating to offenses related to financial  
1315 transactions.
- 1316 44. Sections 914.22 and 914.23, relating to tampering with  
1317 a witness, victim, or informant, and retaliation against a  
1318 witness, victim, or informant.
- 1319 45. Sections 918.12 and 918.13, relating to tampering with  
1320 jurors and evidence.
- 1321 46. Provisions of law relating to electronic gaming and  
1322 electronic gaming machines at eligible pari-mutuel facilities.
- 1323 (b) Any conduct defined as "racketeering activity" under 18  
1324 U.S.C. s. 1961(1).
- 1325 (2) "Unlawful debt" means any money or other thing of value  
1326 constituting principal or interest of a debt that is legally  
1327 unenforceable in this state in whole or in part because the debt  
1328 was incurred or contracted:
- 1329 (a) In violation of any one of the following provisions of  
1330 law:
- 1331 1. Section 550.235, s. 550.3551, or s. 550.3605, relating  
1332 to dogracing and horseracing.

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1333 2. Chapter 550, relating to jai alai frontons.  
1334 3. Section 551.109, relating to slot machine gaming.  
1335 4. Chapter 687, relating to interest and usury.  
1336 5. Section 849.09, s. 849.14, s. 849.15, s. 849.23, or s.  
1337 849.25, relating to gambling.  
1338 6. Provisions of law relating to electronic gaming and  
1339 electronic gaming machines at eligible pari-mutuel facilities.  
1340 (b) In gambling activity in violation of federal law or in  
1341 the business of lending money at a rate usurious under state or  
1342 federal law.  
1343 Section 26. (1) full-time equivalent positions are  
1344 authorized, and the sums of \$ in recurring funds and  
1345 \$ in nonrecurring funds for the 2008-2009 fiscal year are  
1346 appropriated from the Pari-mutuel Wagering Trust Fund of the  
1347 Department of Business and Professional Regulation for the  
1348 purpose of carrying out all regulatory activities provided in  
1349 this act. The Executive Office of the Governor shall place these  
1350 funds and positions in reserve until the Department of Business  
1351 and Professional Regulation submits an expenditure plan for  
1352 approval to the Executive Office of the Governor and the chair  
1353 and vice chair of the Legislative Budget Commission in accordance  
1354 with the provisions of s. 216.177, Florida Statutes.  
1355 (2) The sums of \$ in recurring funds and \$ in  
1356 nonrecurring funds for the 2008-2009 fiscal year are appropriated  
1357 from the Pari-mutuel Wagering Trust Fund of the Department of  
1358 Business and Professional Regulation for transfer to the  
1359 Department of Law Enforcement for the purpose of investigations,  
1360 intelligence gathering, background investigations, and any other  
1361 responsibilities as provided in this act. full-time

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1362 equivalent positions are authorized, and the sums of \$ in  
1363 recurring funds and \$ in nonrecurring funds for the 2008-  
1364 2009 fiscal year are appropriated from the Operating Trust Fund  
1365 of the Department of Law Enforcement for the purpose of  
1366 investigations, intelligence gathering, background  
1367 investigations, and any other responsibilities as provided in  
1368 this act. The Executive Office of the Governor shall place such  
1369 funds and positions in reserve until the Department of Law  
1370 Enforcement submits an expenditure plan for approval to the  
1371 Executive Office of the Governor and the chair and vice chair of  
1372 the Legislative Budget Commission in accordance with the  
1373 provisions of s. 216.177, Florida Statutes.

1374 (3) The sum of \$1 million is appropriated annually from the  
1375 Pari-mutuel Wagering Trust Fund of the Department of Business and  
1376 Professional Regulation from revenues received pursuant to s.  
1377 551.118, Florida Statutes, for contract services related to the  
1378 prevention of compulsive and addictive gambling.

1379 Section 27. The Department of Business and Professional  
1380 Regulation may expend the unreserved cash balance in the Pari-  
1381 mutuel Wagering Trust Fund received from other revenue sources to  
1382 implement electronic gaming regulation and investigations during  
1383 fiscal year 2008-2009. Beginning as soon as is practicable, but  
1384 no later than the 2008-2009 fiscal year, the department shall  
1385 initiate repayment of such funds with electronic gaming machine  
1386 license revenue sources until the full amount is reimbursed. The  
1387 department shall submit a repayment plan for approval to the  
1388 Executive Office of the Governor and the chair and vice chair of  
1389 the Legislative Budget Commission in accordance with the  
1390 provisions of s. 216.177, Florida Statutes. The repaid funds



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1391 | shall be subject to the requirements of s. 550.135(2), Florida  
1392 | Statutes.

1393 |       Section 28. This act shall take effect upon becoming a law.