

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
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
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
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 licensee to remit a tax on skill-based machine revenues
107 and file a report; providing for penalties; authorizing
108 the Division of Licensing and Enforcement to require
109 operators to remit certain assessments by electronic funds
110 transfer; amending s. 943.0311, F.S.; defining the
111 Department of Gaming Control as a state agency with regard
112 to domestic security; providing an effective date.

113
114
115
116
117
118
119
120
121
122
123
124
125
126
127
128
129
130
131
132
133
134
135
136
137
138
139

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

Section 1. Transfers.--

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

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

(3) All of the statutory powers, duties and functions, records, personnel, property, and unexpended balances of appropriations, allocations, or other funds for the administration of s. 849.086, Florida Statutes, are transferred by a type two transfer, as defined in s. 20.06(2), Florida Statutes, from the Division of Pari-mutuel Wagering of the Department of Business and Professional Regulation to the Bureau

140 of Cardrooms within the Division of Gambling Oversight of the
141 Department of Gaming Control.

142 (4) All of the statutory powers, duties and functions,
143 records, personnel, property, and unexpended balances of
144 appropriations, allocations, or other funds for the
145 administration of chapter 551, Florida Statutes, are transferred
146 by a type two transfer, as defined in s. 20.06(2), Florida
147 Statutes, from the Division of Pari-mutuel Wagering of the
148 Department of Business and Professional Regulation to the Bureau
149 of Slot Machines within the Division of Gambling Oversight of
150 the Department of Gaming Control.

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

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

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

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

171 (7) (a) The following trust funds are transferred from the
 172 Division of Pari-mutuel Wagering of the Department of Business
 173 and Professional Regulation to the Bureau of Pari-mutuel
 174 Wagering within the Division of Gambling Oversight of the
 175 Department of Gaming Control:

- 176 1. Pari-mutuel Wagering Trust Fund.
- 177 2. Racing Scholarship Trust Fund.

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

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

183 11.905 Schedule for reviewing state agencies and advisory
 184 committees.--The following state agencies, including their
 185 advisory committees, or the following advisory committees of
 186 agencies shall be reviewed according to the following schedule:

187 (3) Reviewed by July 1, 2012:

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

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

191 20.165 Department of Business and Professional
 192 Regulation.--There is created a Department of Business and
 193 Professional Regulation.

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

196 (a) Division of Administration.

197 (b) Division of Alcoholic Beverages and Tobacco.

198 (c) Division of Certified Public Accounting.

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

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

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

206 (e) Division of Hotels and Restaurants.

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

208 (f)~~(g)~~ Division of Professions.

209 (g)~~(h)~~ Division of Real Estate.

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

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

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
 239 include 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
 247 official, state attorney, or entity licensed by the department
 248 relating to any the application of state gaming laws with
 249 respect to whether a particular act or device constitutes legal

250 or illegal gambling under state laws and administrative rules
 251 adopted thereunder. A written record of all such opinions issued
 252 by the department, sequentially numbered, dated, and indexed by
 253 subject matter shall be retained. Any such person or entity,
 254 acting in good faith upon an advisory opinion that such person
 255 or entity requested and received, is not subject to any criminal
 256 penalty provided for under state law for illegal gambling. The
 257 opinion, until amended or revoked, is binding on any person or
 258 entity who sought the opinion or with reference to whom the
 259 opinion was sought, unless material facts were omitted or
 260 misstated in the request for the advisory opinion. The
 261 department may adopt rules regarding the process for securing an
 262 advisory opinion and may require in those rules the submission
 263 of any potential gaming apparatus for testing by a licensed
 264 testing laboratory to prove or disproved its compliance with
 265 state law before the issuance of an opinion by the department.

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

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

275 (a) Each law enforcement officer shall meet the
 276 qualifications of law enforcement officers under s. 943.13 and
 277 shall be certified as a law enforcement officer by the

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

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

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

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

297 Section 6. Section 24.103, Florida Statutes, is amended to
 298 read:

299 24.103 Definitions.--As used in this act:

300 (1) "Department" means the Department of Gaming Control
 301 ~~the Lottery.~~

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

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

304 (3) "Person" means any individual, firm, association,
 305 joint adventure, partnership, estate, trust, syndicate,

306 fiduciary, corporation, or other group or combination and shall
 307 include any agency or political subdivision of the state.

308 (4) "Major procurement" means a procurement for a contract
 309 for the printing of tickets for use in any lottery game,
 310 consultation services for the startup of the lottery, any goods
 311 or services involving the official recording for lottery game
 312 play purposes of a player's selections in any lottery game
 313 involving player selections, any goods or services involving the
 314 receiving of a player's selection directly from a player in any
 315 lottery game involving player selections, any goods or services
 316 involving the drawing, determination, or generation of winners
 317 in any lottery game, the security report services provided for
 318 in this act, or any goods and services relating to marketing and
 319 promotion which exceed a value of \$25,000.

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

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

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

327 Section 7. Section 24.104, Florida Statutes, is amended to
 328 read:

329 24.104 Division of the Lottery ~~Department~~; purpose.--The
 330 purpose of the division ~~department~~ is to operate the state
 331 lottery as authorized by s. 15, Art. X of the State Constitution
 332 so as to maximize revenues in a manner consonant with the
 333 dignity of the state and the welfare of its citizens.

334 Section 8. Section 24.105, Florida Statutes, is amended to
 335 read:

336 24.105 Powers and duties of the division ~~department~~.--The
 337 division ~~department~~ shall:

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

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

343 (3) For purposes of any investigation or proceeding
 344 conducted by the division ~~department~~, have the power to
 345 administer oaths, require affidavits, take depositions, issue
 346 subpoenas, and compel the attendance of witnesses and the
 347 production of books, papers, documents, and other evidence.

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

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

359 (6) Maintain weekly or more frequent records of lottery
 360 transactions, including the distribution of tickets to

361 retailers, revenues received, claims for prizes, prizes paid,
 362 and other financial transactions of the division ~~department~~.

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

370 (8) Conduct such market research as is necessary or
 371 appropriate, which may include an analysis of the demographic
 372 characteristics of the players of each lottery game and an
 373 analysis of advertising, promotion, public relations,
 374 incentives, and other aspects of communications.

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

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

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

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

386 3. Other than as provided in subparagraph 4., a ~~no~~
 387 terminal or device may not be used for any lottery game that is

388 ~~which may be~~ operated solely by the player without the
 389 assistance of the retailer.

390 4. The only player-activated machine that ~~which~~ may be
 391 used ~~utilized~~ is a machine that ~~which~~ dispenses instant lottery
 392 game tickets following the insertion of a coin or currency by a
 393 ticket 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
 399 lockout device that maintains the machine's deactivation for a
 400 period of no less than 5 minutes; and be designed to prevent its
 401 use or conversion for use in any manner other than the
 402 dispensing of instant lottery tickets. Authorized machines may
 403 dispense change to players purchasing tickets but may not be
 404 used ~~utilized~~ for paying the holders of winning tickets of any
 405 kind. At least one clerk must be on duty at the lottery retailer
 406 while the machine is in operation. However, at least two clerks
 407 must be on duty at any lottery location which has violated s.
 408 24.1055.

409 (b) The sales price of tickets.

410 (c) The number and sizes of prizes.

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

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

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

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

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

423 (i) The manner and amount of compensation of retailers.

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

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

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

440 (12) (a) Determine by rule information relating to the
441 operation of the lottery which is confidential and exempt from
442 the provisions of s. 119.07(1) and s. 24(a), Art. I of the State
443 Constitution. Such information includes trade secrets; security

444 measures, systems, or procedures; security reports; information
 445 concerning bids or other contractual data, the disclosure of
 446 which would impair the efforts of the division ~~department~~ to
 447 contract for goods or services on favorable terms; employee
 448 personnel information unrelated to compensation, duties,
 449 qualifications, or responsibilities; and information obtained by
 450 the Division of Licensing and Enforcement ~~Security~~ pursuant to
 451 its investigations which is otherwise confidential. To be deemed
 452 confidential, the information must be necessary to the security
 453 and integrity of the lottery. Confidential information may be
 454 released to other governmental entities as needed in connection
 455 with the performance of their duties. The receiving governmental
 456 entity shall retain the confidentiality of such information as
 457 provided for in this subsection.

458 (b) Maintain the confidentiality of the street address and
 459 the telephone number of a winner, in that such information is
 460 confidential and exempt from the provisions of s. 119.07(1) and
 461 s. 24(a), Art. I of the State Constitution, unless the winner
 462 consents to the release of such information or as provided for
 463 in s. 24.115(4) or s. 409.2577.

464 (c) Any information made confidential and exempt from the
 465 provisions of s. 119.07(1) under this subsection shall be
 466 disclosed to the Auditor General, to the Office of Program
 467 Policy Analysis and Government Accountability, or to the
 468 independent auditor selected under s. 24.123 upon such person's
 469 request therefor. If the President of the Senate or the Speaker
 470 of the House of Representatives certifies that information made
 471 confidential under this subsection is necessary for effecting

472 legislative changes, the requested information shall be
 473 disclosed to him or her, and he or she may disclose such
 474 information to members of the Legislature and legislative staff
 475 as necessary to effect such purpose.

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

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

500 this subsection are exempt from the time limitations and
 501 deadlines of chapter 253.

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

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

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

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

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

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

HB 1385

2008

527 1. The person has been pardoned or his or her civil rights
528 have been restored; or

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

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

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

555 (d) The division ~~department~~ shall establish and maintain a
556 personnel program for its employees, including a personnel
557 classification and pay plan which may provide any or all of the
558 benefits provided in the Senior Management Service or Selected
559 Exempt Service. Each officer or employee of the division
560 ~~department~~ shall be a member of the Florida Retirement System.
561 The retirement class of each officer or employee shall be the
562 same as other persons performing comparable functions for other
563 agencies. Employees of the division ~~department~~ shall serve at
564 the pleasure of the commission ~~secretary~~ and shall be subject to
565 suspension, dismissal, reduction in pay, demotion, transfer, or
566 other personnel action at the discretion of the commission
567 ~~secretary~~. Such personnel actions are exempt from the provisions
568 of chapter 120. All employees of the division ~~department~~ are
569 exempt from the Career Service System provided in chapter 110
570 and, notwithstanding the provisions of s. 110.205(5), are not
571 included in either the Senior Management Service or the Selected
572 Exempt Service. However, all employees of the division
573 ~~department~~ are subject to all standards of conduct adopted by
574 rule for career service and senior management employees pursuant
575 to chapter 110. In the event of a conflict between standards of
576 conduct applicable to employees of the Department of Gaming
577 Control ~~the Lottery~~ the more restrictive standard shall apply.
578 Interpretations as to the more restrictive standard may be
579 provided by the Commission on Ethics upon request of an advisory
580 opinion pursuant to s. 112.322(3)(a), for purposes of this
581 subsection the opinion shall be considered final action.

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

586 Section 9. Section 24.107, Florida Statutes, is amended to
 587 read:

588 24.107 Advertising and promotion of lottery games.--

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

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

599 Section 10. Section 24.108, Florida Statutes, is amended
 600 to read:

601 24.108 Division of Licensing and Enforcement Security;
 602 duties; security report.--

603 (1) The commission ~~secretary~~ shall appoint a director of
 604 the Division of Licensing and Enforcement Security who is
 605 qualified by training and experience in law enforcement or
 606 security to supervise, direct, coordinate, and administer all
 607 activities of the division.

608 (2) The director and all investigators employed by the
 609 division shall meet the requirements for employment and

HB 1385

2008

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

629 (3) The Department of Law Enforcement shall, at the
630 request of the Division of Licensing and Enforcement Security,
631 perform full criminal background investigations on all employees
632 of the Department of Gaming Control ~~the Lottery~~ at the level of
633 the commission secretary, division director, or bureau chief and
634 at any level within the Division of Licensing and Enforcement
635 Security, including applicants for employment. The Department of
636 Gaming Control ~~the Lottery~~ shall reimburse the Department of Law
637 Enforcement for the actual costs of such investigations.

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

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

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

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

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

HB 1385

2008

692 the report is exempt from the provisions of s. 119.07(1) and s.
693 24(a), Art. I of the State Constitution.

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

697 Section 11. Section 24.109, Florida Statutes, is amended
698 to read:

699 24.109 Administrative procedure.--

700 (1) The division ~~department~~ may at any time adopt
701 emergency rules pursuant to s. 120.54. The Legislature finds
702 that such emergency rulemaking power is necessary for the
703 preservation of the rights and welfare of the people in order to
704 provide additional funds to benefit the public. The Legislature
705 further finds that the unique nature of state lottery operations
706 requires, from time to time, that the division ~~department~~
707 respond as quickly as is practicable to changes in the
708 marketplace. Therefore, in adopting such emergency rules, the
709 division ~~department~~ need not make the findings required by s.
710 120.54(4)(a). Emergency rules adopted under this section are
711 exempt from s. 120.54(4)(c) and shall remain in effect until
712 replaced by other emergency rules or by rules adopted under the
713 nonemergency rulemaking procedures of the Administrative
714 Procedure Act.

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

717 (a) A formal written protest of any decision, intended
718 decision, or other action subject to protest shall be filed

719 within 72 hours after receipt of notice of the decision,
 720 intended decision, or other action.

721 (b) In a competitive procurement protest, including the
 722 rejection of all bids, proposals, or replies, the administrative
 723 law judge may ~~shall~~ not substitute his or her procurement
 724 decision for the agency's procurement decision but shall review
 725 the intended agency action only to determine if the agency
 726 action is illegal, arbitrary, dishonest, or fraudulent.

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

736 Section 12. Section 24.111, Florida Statutes, is amended
 737 to read:

738 24.111 Vendors; disclosure and contract requirements.--

739 (1) The division ~~department~~ may enter into contracts for
 740 the purchase, lease, or lease-purchase of such goods or services
 741 as are necessary for effectuating the purposes of this act. The
 742 division ~~department~~ may not contract with any person or entity
 743 for the total operation and administration of the state lottery
 744 established by this act but may make procurements that ~~which~~
 745 integrate functions such as lottery game design, supply of goods
 746 and services, and advertising. In all procurement decisions, the

HB 1385

2008

747 division ~~department~~ shall take into account the particularly
748 sensitive nature of the state lottery and shall consider the
749 competence, quality of product, experience, and timely
750 performance of the vendors in order to promote and ensure
751 security, honesty, fairness, and integrity in the operation and
752 administration of the lottery and the objective of raising net
753 revenues for the benefit of the public purpose described in this
754 act.

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

765 (a) A disclosure of the vendor's name and address and, as
766 applicable, the name and address and any additional disclosures
767 necessary for an investigation of the financial responsibility,
768 security, and integrity of the following:

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

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

777 3. If the vendor is an association, the members, officers,
778 and directors.

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

781
782 If the vendor subcontracts any substantial portion of the work
783 to be performed to a subcontractor, the vendor shall disclose
784 all of the information required by this paragraph for the
785 subcontractor as if the subcontractor were itself a vendor.

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

789 (c) A disclosure of all the states and jurisdictions in
790 which the vendor has contracts to supply gaming goods or
791 services, including, but not limited to, lottery goods and
792 services, and of the nature of the goods or services involved
793 for each such state or jurisdiction.

794 (d) A disclosure of all the states and jurisdictions in
795 which the vendor has applied for, has sought renewal of, has
796 received, has been denied, has pending, or has had revoked a
797 gaming license or contract of any kind and of the disposition of
798 such in each such state or jurisdiction. If any gaming license
799 or contract has been revoked or has not been renewed or any
800 gaming license or contract application has been either denied or
801 is pending and has remained pending for more than 6 months, all

802 of the facts and circumstances underlying this failure to
 803 receive such a license must be disclosed.

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

807 (f) A disclosure of the details of any bankruptcy,
 808 insolvency, reorganization, or any pending litigation of the
 809 vendor.

810 (g) Such additional disclosures and information as the
 811 division ~~department~~ may determine to be appropriate for the
 812 procurement involved.

813 (h) The division ~~department~~ shall lease all instant ticket
 814 vending machines.

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

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

HB 1385

2008

829 integrity, background, and character of vendors for major
830 procurements.

831 (3) The division ~~department~~ may require disclosure of the
832 information required by subsection (2) from any vendor if the
833 division ~~department~~ finds that such disclosure is necessary to
834 protect the dignity and integrity of the lottery and in the best
835 interests of the state.

836 (4) The division may not enter into a ~~No~~ contract for a
837 major procurement with any vendor ~~shall be entered into~~ if that
838 vendor, or any of the vendor's officers, directors, trustees,
839 partners, or joint venturers whose names and addresses are
840 required to be disclosed pursuant to paragraph (2)(a), has been
841 convicted of, or entered a plea of guilty or nolo contendere to,
842 a felony committed in the preceding 10 years, regardless of
843 adjudication, unless the division ~~department~~ determines that:

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

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

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

854 (5) Each vendor in a major procurement in excess of
855 \$25,000, and any other vendor if the division ~~department~~ deems
856 it necessary to protect the state's financial interest, shall,

857 | at the time of executing the contract with the division
858 | ~~department~~, post an appropriate bond with the division
859 | ~~department~~ in an amount determined by the division ~~department~~ to
860 | be adequate to protect the state's interests, but not higher
861 | than the full amount estimated to be paid annually to the vendor
862 | under the contract. In lieu of the bond, a vendor may, to assure
863 | the faithful performance of its obligations, file with the
864 | division ~~department~~ an irrevocable letter of credit acceptable
865 | to the division ~~department~~ in an amount determined by the
866 | division ~~department~~ to be adequate to protect the state's
867 | interests or deposit and maintain with the Chief Financial
868 | Officer securities that are interest bearing or accruing and
869 | that, with the exception of those specified in paragraphs (a)
870 | and (b), are rated in one of the four highest classifications by
871 | an established nationally recognized investment rating service.
872 | Securities eligible under this subsection shall be limited to:
873 | (a) Certificates of deposit issued by solvent banks or
874 | savings associations organized and existing under the laws of
875 | this state or under the laws of the United States and having
876 | their principal place of business in this state.
877 | (b) United States bonds, notes, and bills for which the
878 | full faith and credit of the government of the United States is
879 | pledged for the payment of principal and interest.
880 | (c) General obligation bonds and notes of any political
881 | subdivision of the state.
882 | (d) Corporate bonds of any corporation that is not an
883 | affiliate or subsidiary of the depositor.

884

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

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

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

901 Section 13. Section 24.112, Florida Statutes, is amended
 902 to read:

903 24.112 Retailers of lottery tickets.--

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

908 (2) In the selection of retailers, the division ~~department~~
 909 shall consider factors such as financial responsibility,
 910 integrity, reputation, accessibility of the place of business or
 911 activity to the public, security of the premises, the
 912 sufficiency of existing retailers to serve the public

913 convenience, and the projected volume of the sales for the
 914 lottery game involved. In the consideration of these factors,
 915 the division ~~department~~ may require the information it deems
 916 necessary of any person applying for authority to act as a
 917 retailer. However, the division ~~department~~ may not establish a
 918 limitation upon the number of retailers and shall make every
 919 effort to allow small business participation as retailers. It is
 920 the intent of the Legislature that retailer selections be based
 921 on business considerations and the public convenience and that
 922 retailers be selected without regard to political affiliation.

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

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

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

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

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

935 2. Subsequent to such conviction or entry of plea the
 936 person has engaged in the kind of law-abiding commerce and good
 937 citizenship that would reflect well upon the integrity of the
 938 lottery; or

939 3. If the person is a firm, association, partnership,
 940 trust, corporation, or other entity, the person has terminated

941 its relationship with the individual whose actions directly
 942 contributed to the person's conviction or entry of plea.

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

950 (5) Any contract executed by the division ~~department~~
 951 pursuant to this section must ~~shall~~ specify the reasons for any
 952 suspension or termination of the contract by the division
 953 ~~department~~, including, but not limited to:

954 (a) Commission of a violation of this act or rule adopted
 955 pursuant thereto.

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

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

959 (d) Insufficient sale of tickets.

960 (e) Conduct prejudicial to public confidence in the
 961 lottery.

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

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

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

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

981 (9) (a) The division ~~department~~ may require every retailer
 982 to post an appropriate bond as determined by the division
 983 ~~department~~, using an insurance company acceptable to the
 984 division ~~department~~, in an amount not to exceed twice the
 985 average lottery ticket sales of the retailer for the period
 986 within which the retailer is required to remit lottery funds to
 987 the division ~~department~~. For the first 90 days of sales of a new
 988 retailer, the amount of the bond may not exceed twice the
 989 average estimated lottery ticket sales for the period within
 990 which the retailer is required to remit lottery funds to the
 991 division ~~department~~. This paragraph does shall not apply to
 992 lottery tickets that ~~which~~ are prepaid by the retailer.

993 (b) In lieu of such bond, the division ~~department~~ may
 994 purchase blanket bonds covering all or selected retailers or may
 995 allow a retailer to deposit and maintain with the Chief
 996 Financial Officer securities that are interest bearing or

997 accruing and that, with the exception of those specified in
 998 subparagraphs 1. and 2., are rated in one of the four highest
 999 classifications by an established nationally recognized
 1000 investment rating service. Securities eligible under this
 1001 paragraph shall be limited to:

1002 1. Certificates of deposit issued by solvent banks or
 1003 savings associations organized and existing under the laws of
 1004 this state or under the laws of the United States and having
 1005 their principal place of business in this state.

1006 2. United States bonds, notes, and bills for which the
 1007 full faith and credit of the government of the United States is
 1008 pledged for the payment of principal and interest.

1009 3. General obligation bonds and notes of any political
 1010 subdivision of the state.

1011 4. Corporate bonds of any corporation that is not an
 1012 affiliate or subsidiary of the depositor.

1013
 1014 Such securities shall be held in trust and shall have at all
 1015 times a market value at least equal to an amount required by the
 1016 division ~~department~~.

1017 (10) Every contract entered into by the division
 1018 ~~department~~ pursuant to this section must ~~shall~~ contain a
 1019 provision for payment of liquidated damages to the division
 1020 ~~department~~ for any breach of contract by the retailer.

1021 (11) The division ~~department~~ shall establish procedures by
 1022 which each retailer shall account for all tickets sold by the
 1023 retailer and account for all funds received by the retailer from
 1024 such sales. The contract with each retailer must ~~shall~~ include

1025 provisions relating to the sale of tickets, payment of moneys to
 1026 the division ~~department~~, reports, service charges, and interest
 1027 and penalties, if necessary, as the division deems ~~department~~
 1028 ~~shall deem~~ appropriate.

1029 (12) A ~~No~~ payment by a retailer to the division ~~department~~
 1030 for tickets may not ~~shall~~ be in cash. All such payments must
 1031 ~~shall~~ be in the form of a check, bank draft, electronic fund
 1032 transfer, or other financial instrument authorized by the
 1033 division director ~~secretary~~.

1034 (13) Each retailer shall provide accessibility for
 1035 disabled persons on habitable grade levels. This subsection does
 1036 not apply to a retail location that ~~which~~ has an entrance door
 1037 threshold more than 12 inches above ground level. As used in
 1038 this subsection ~~herein~~ and for purposes of this subsection only,
 1039 the term "accessibility for disabled persons on habitable grade
 1040 levels" means that retailers shall provide ramps, platforms,
 1041 aisles and pathway widths, turnaround areas, and parking spaces
 1042 to the extent these are required for the retailer's premises by
 1043 the particular jurisdiction where the retailer is located.
 1044 Accessibility shall be required to only one point of sale of
 1045 lottery tickets for each lottery retailer location. The
 1046 requirements of this subsection shall be deemed to have been met
 1047 if, in lieu of the foregoing, disabled persons can purchase
 1048 tickets from the retail location by means of a drive-up window,
 1049 provided the hours of access at the drive-up window are not less
 1050 than those provided at any other entrance at that lottery
 1051 retailer location. Inspections for compliance with this
 1052 subsection shall be performed by those enforcement authorities

1053 responsible for enforcement pursuant to s. 553.80 in accordance
 1054 with procedures established by those authorities. Those
 1055 enforcement authorities shall provide to the Division ~~Department~~
 1056 of the Lottery a certification of noncompliance for any lottery
 1057 retailer not meeting such requirements.

1058 (14) The division director ~~secretary~~ may, after filing
 1059 with the Department of State his or her manual signature
 1060 certified by the division director ~~secretary~~ under oath, execute
 1061 or cause to be executed contracts between the division
 1062 ~~department~~ and retailers by means of engraving, imprinting,
 1063 stamping, or other facsimile signature.

1064 Section 14. Section 24.113, Florida Statutes, is amended
 1065 to read:

1066 24.113 Minority participation.--

1067 (1) It is the intent of the Legislature that the division
 1068 ~~department~~ encourage participation by minority business
 1069 enterprises as defined in s. 288.703. Accordingly, 15 percent of
 1070 the retailers shall be minority business enterprises as defined
 1071 in s. 288.703(2); however, no more than 35 percent of such
 1072 retailers shall be owned by the same type of minority person, as
 1073 defined in s. 288.703(3). The division ~~department~~ is encouraged
 1074 to meet the minority business enterprise procurement goals set
 1075 forth in s. 287.09451 in the procurement of commodities,
 1076 contractual services, construction, and architectural and
 1077 engineering services. This section does ~~shall~~ not preclude or
 1078 prohibit a minority person from competing for any other
 1079 retailing or vending agreement awarded by the division
 1080 ~~department~~.

1081 (2) The division shall ~~department is directed to~~ undertake
 1082 training programs and other educational activities to enable
 1083 minority persons to compete for such contracts on an equal
 1084 basis.

1085 Section 15. Section 24.114, Florida Statutes, is amended
 1086 to read:

1087 24.114 Bank deposits and control of lottery
 1088 transactions.--

1089 (1) All moneys received by each retailer from the
 1090 operation of the state lottery, including, but not limited to,
 1091 all ticket sales, interest, gifts, and donations, less the
 1092 amount retained as compensation for the sale of the tickets and
 1093 the amount paid out as prizes, shall be remitted to the division
 1094 ~~department~~ or deposited in a qualified public depository, as
 1095 defined in s. 280.02, as directed by the division ~~department~~.
 1096 The division is responsible ~~department shall have the~~
 1097 ~~responsibility~~ for all administrative functions related to the
 1098 receipt of funds. The division ~~department~~ may also require each
 1099 retailer to file with the division ~~department~~ reports of the
 1100 retailer's receipts and transactions in the sale of lottery
 1101 tickets in such form and containing such information as the
 1102 division ~~department~~ may require. The division ~~department~~ may
 1103 require any person, including a qualified public depository, to
 1104 perform any function, activity, or service in connection with
 1105 the operation of the lottery as it may deem advisable pursuant
 1106 to this act and rules of the division ~~department~~, and such
 1107 functions, activities, or services shall constitute lawful
 1108 functions, activities, and services of such person.

1109 (2) The division ~~department~~ may require retailers to
 1110 establish separate electronic funds transfer accounts for the
 1111 purpose of receiving moneys from ticket sales, making payments
 1112 to the division ~~department~~, and receiving payments from the
 1113 division ~~department~~.

1114 (3) Each retailer is liable to the division ~~department~~ for
 1115 any and all tickets accepted or generated by any employee or
 1116 representative of that retailer, and the tickets shall be deemed
 1117 to have been purchased by the retailer unless returned to the
 1118 division ~~department~~ within the time and in the manner prescribed
 1119 by the division ~~department~~. All moneys received by retailers
 1120 from the sale of lottery tickets, less the amount retained as
 1121 compensation for the sale of tickets and the amount paid out as
 1122 prizes by the retailer, shall be held in trust prior to delivery
 1123 to the division ~~department~~ or electronic transfer to the
 1124 Operating Trust Fund.

1125 Section 16. Section 24.115, Florida Statutes, is amended
 1126 to read:

1127 24.115 Payment of prizes.--

1128 (1) The division ~~department~~ shall adopt ~~promulgate~~ rules
 1129 to establish a system of verifying the validity of tickets
 1130 claimed to win prizes and to effect payment of such prizes;
 1131 however:

1132 (a) The right of any person to a prize, other than a prize
 1133 that is payable in installments over time, is not assignable.
 1134 However, any prize, to the extent that it has not been assigned
 1135 or encumbered pursuant to s. 24.1153, may be paid to the estate
 1136 of a deceased prize winner or to a person designated pursuant to

HB 1385

2008

1137 an appropriate court order. A prize that is payable in
1138 installments over time is assignable, but only pursuant to an
1139 appropriate court order as provided in s. 24.1153.

1140 (b) A ~~No~~ prize may not ~~shall~~ be paid to any person under
1141 the age of 18 years unless the winning ticket was lawfully
1142 purchased and made a gift to the minor. In such case, the
1143 division ~~department~~ shall direct payment to an adult member of
1144 the minor's family or the legal guardian of the minor as
1145 custodian for the minor. The person named as custodian shall
1146 have the same powers and duties as prescribed for a custodian
1147 pursuant to chapter 710, the Florida Uniform Transfers to Minors
1148 Act.

1149 (c) A ~~No~~ prize may not be paid arising from claimed
1150 tickets that are stolen, counterfeit, altered, fraudulent,
1151 unissued, produced or issued in error, unreadable, not received
1152 or not recorded by the division ~~department~~ by applicable
1153 deadlines, lacking in captions that confirm and agree with the
1154 lottery play symbols as appropriate to the lottery game
1155 involved, or not in compliance with such additional specific
1156 rules and public or confidential validation and security tests
1157 of the division ~~department~~ appropriate to the particular lottery
1158 game involved.

1159 (d) A ~~No~~ particular prize in any lottery game may not be
1160 paid more than once, and in the event of a binding determination
1161 that more than one claimant is entitled to a particular prize,
1162 the sole remedy of such claimants is the award to each of them
1163 of an equal share in the prize.

HB 1385

2008

1164 (e) For the convenience of the public, retailers may be
1165 authorized to pay winners amounts less than \$600 after
1166 performing validation procedures on their premises appropriate
1167 to the lottery game involved.

1168 (f) Holders of tickets ~~shall~~ have the right to claim
1169 prizes for 180 days after the drawing or the end of the lottery
1170 game or play in which the prize was won; except that with
1171 respect to any game in which the player may determine instantly
1172 if he or she has won or lost, such right exists ~~shall exist~~ for
1173 60 days after the end of the lottery game. If a valid claim is
1174 not made for a prize within the applicable period, the prize
1175 constitutes ~~shall constitute~~ an unclaimed prize for purposes of
1176 subsection (2).

1177 (g) A ~~No~~ prize may not ~~shall~~ be paid upon a ticket
1178 purchased or sold in violation of this act or to any person who
1179 is prohibited from purchasing a lottery ticket pursuant to this
1180 act. Any such prize constitutes ~~shall constitute~~ an unclaimed
1181 prize for purposes of subsection (2).

1182 (2)(a) Eighty percent of all unclaimed prize money shall
1183 be deposited in the Educational Enhancement Trust Fund
1184 consistent with the provisions of s. 24.121(2). Subject to
1185 appropriations provided in the General Appropriations Act, these
1186 funds may be used to match private contributions received under
1187 the postsecondary matching grant programs established in ss.
1188 1011.32, 1011.85, 1011.94, and 1013.79.

1189 (b) The remaining 20 percent of unclaimed prize money
1190 shall be added to the pool from which future prizes are to be
1191 awarded or used for special prize promotions.

1192 (3) The division ~~department~~ shall be discharged of all
 1193 liability upon payment of a prize.

1194 (4) It is the responsibility of the appropriate state
 1195 agency and of the judicial branch to identify to the division
 1196 ~~department~~, in the form and format prescribed by the division
 1197 ~~department~~, persons owing an outstanding debt to any state
 1198 agency or owing child support collected through a court,
 1199 including spousal support or alimony for the spouse or former
 1200 spouse of the obligor if the child support obligation is being
 1201 enforced by the Department of Revenue. Prior to the payment of a
 1202 prize of \$600 or more to any claimant having such an outstanding
 1203 obligation, the division ~~department~~ shall transmit the amount of
 1204 the debt to the agency claiming the debt and shall authorize
 1205 payment of the balance to the prize winner after deduction of
 1206 the debt. If a prize winner owes multiple debts subject to
 1207 offset under this subsection and the prize is insufficient to
 1208 cover all such debts, the amount of the prize shall be
 1209 transmitted first to the agency claiming that past due child
 1210 support is owed. If a balance of lottery prize remains after
 1211 payment of past due child support, the remaining lottery prize
 1212 amount shall be transmitted to other agencies claiming debts
 1213 owed to the state, pro rata, based upon the ratio of the
 1214 individual debt to the remaining debt owed to the state.

1215 Section 17. Section 24.1153, Florida Statutes, is amended
 1216 to read:

1217 24.1153 Assignment of prizes payable in installments.--

1218 (1) The right of any person to receive payments under a
 1219 prize that is paid in installments over time by the division

HB 1385

2008

1220 ~~department~~ may be voluntarily assigned, in whole or in part, if
1221 the assignment is made to a person or entity designated pursuant
1222 to an order of a court of competent jurisdiction located in the
1223 judicial district where the assigning prize winner resides or
1224 where the headquarters of the division ~~department~~ is located. A
1225 court may issue an order approving a voluntary assignment and
1226 directing the division ~~department~~ to make prize payments in
1227 whole or in part to the designated assignee, if the court finds
1228 that all of the following conditions have been met:

1229 (a) The assignment is in writing, is executed by the
1230 assignor, and is, by its terms, subject to the laws of this
1231 state.

1232 (b) The purchase price being paid for the payments being
1233 assigned represents a present value of the payments being
1234 assigned, discounted at an annual rate that does not exceed the
1235 state's usury limit for loans.

1236 (c) The assignor provides a sworn affidavit attesting that
1237 he or she:

1238 1. Is of sound mind, is in full command of his or her
1239 faculties, and is not acting under duress;

1240 2. Has been advised regarding the assignment by his or her
1241 own independent legal counsel, who is unrelated to and is not
1242 being compensated by the assignee or any of the assignee's
1243 affiliates, and has received independent financial or tax advice
1244 concerning the effects of the assignment from a lawyer or other
1245 professional who is unrelated to and is not being compensated by
1246 the assignee or any of the assignee's affiliates;

1247 3. Understands that he or she will not receive the prize
1248 payments or portions thereof for the years assigned;

1249 4. Understands and agrees that with regard to the assigned
1250 payments the division ~~department~~ and its officials and employees
1251 will have no further liability or responsibility to make the
1252 assigned payments to him or her;

1253 5. Has been provided with a one-page written disclosure
1254 statement setting forth, in bold type of not less than 14
1255 points, the payments being assigned, by amounts and payment
1256 dates; the purchase price being paid; the rate of discount to
1257 present value, assuming daily compounding and funding on the
1258 contract date; and the amount, if any, of any origination or
1259 closing fees that will be charged to him or her; and

1260 6. Was advised in writing, at the time he or she signed
1261 the assignment contract, that he or she had the right to cancel
1262 the contract, without any further obligation, within 3 business
1263 days following the date on which the contract was signed.

1264 (d) Written notice of the proposed assignment and any
1265 court hearing concerning the proposed assignment is provided to
1266 the division's ~~department's~~ counsel at least 10 days prior to
1267 any court hearing. The division ~~department~~ is not required to
1268 appear in or be named as a party to any such action seeking
1269 judicial confirmation of an assignment under this section, but
1270 may intervene as of right in any such proceeding.

1271 (2) A certified copy of a court order approving a
1272 voluntary assignment must be provided to the division ~~department~~
1273 no later than 14 days before the date on which the payment is to
1274 be made.

1275 (3) In accordance with the provisions of s. 24.115(4), a
 1276 voluntary assignment may not include or cover payments or
 1277 portions of payments that are subject to offset on account of a
 1278 defaulted or delinquent child support obligation or on account
 1279 of a debt owed to a state agency. Each court order issued under
 1280 subsection (1) shall provide that any delinquent child support
 1281 obligations of the assigning prize winner and any debts owed to
 1282 a state agency by the assigning prize winner, as of the date of
 1283 the court order, shall be offset by the division ~~department~~
 1284 first against remaining payments or portions thereof due the
 1285 prize winner and then against payments due the assignee.

1286 (4) The division ~~department~~, and its respective officials
 1287 and employees, shall be discharged of all liability upon payment
 1288 of an assigned prize under this section.

1289 (5) The division ~~department~~ may establish a reasonable fee
 1290 to defray any administrative expenses associated with
 1291 assignments made under this section, including the cost to the
 1292 division ~~department~~ of any processing fee that may be imposed by
 1293 a private annuity provider. The fee amount shall reflect the
 1294 direct and indirect costs associated with processing such
 1295 assignments.

1296 (6) If at any time the Internal Revenue Service or a court
 1297 of competent jurisdiction issues a determination letter, revenue
 1298 ruling, other public ruling of the Internal Revenue Service, or
 1299 published decision to any state lottery or prize winner of any
 1300 state lottery declaring that the voluntary assignment of prizes
 1301 will affect the federal income tax treatment of prize winners
 1302 who do not assign their prizes, the director ~~secretary~~ of the

HB 1385

2008

1303 division ~~department~~ shall immediately file a copy of that
 1304 letter, ruling, or published decision with the Secretary of
 1305 State and the Office of the State Courts Administrator. A court
 1306 may not issue an order authorizing a voluntary assignment under
 1307 this section after the date any such ruling, letter, or
 1308 published decision is filed.

1309 Section 18. Section 24.116, Florida Statutes, is amended
 1310 to read:

1311 24.116 Unlawful purchase of lottery tickets; penalty.--

1312 (1) A ~~No~~ person who is less than 18 years of age may not
 1313 purchase a lottery ticket; however, this does ~~shall~~ not prohibit
 1314 the purchase of a lottery ticket for the purpose of making a
 1315 gift to a minor.

1316 (2) An ~~No~~ officer or employee of the division ~~department~~
 1317 or any relative living in the same household with such officer
 1318 or employee may not purchase a lottery ticket.

1319 (3) An ~~No~~ officer or employee of any vendor under contract
 1320 with the division ~~department~~ for a major procurement, relative
 1321 living in the same household with such officer or employee, or
 1322 immediate supervisor of such officer or employee may not
 1323 purchase a lottery ticket if the officer or employee is involved
 1324 in the direct provision of goods or services to the division
 1325 ~~department~~ or has access to information made confidential by the
 1326 division ~~department~~.

1327 (4) Any person who violates this section commits ~~is guilty~~
 1328 ~~of~~ a misdemeanor of the first degree, punishable as provided in
 1329 s. 775.082 or s. 775.083.

HB 1385

2008

1330 Section 19. Section 24.117, Florida Statutes, is amended
 1331 to read:

1332 24.117 Unlawful sale of lottery tickets; penalty.--Any
 1333 person who knowingly:

1334 (1) Sells a state lottery ticket when not authorized by
 1335 the division ~~department~~ or this act to engage in such sale;

1336 (2) Sells a state lottery ticket to a minor; or

1337 (3) Sells a state lottery ticket at any price other than
 1338 that established by the division ~~department~~;

1339

1340 commits ~~is guilty of~~ a misdemeanor of the first degree,
 1341 punishable as provided in s. 775.082 or s. 775.083.

1342 Section 20. Subsections (1), (3), and (5) of section
 1343 24.118, Florida Statutes, are amended to read:

1344 24.118 Other prohibited acts; penalties.--

1345 (1) UNLAWFUL EXTENSIONS OF CREDIT.--Any retailer who
 1346 extends credit or lends money to a person for the purchase of a
 1347 lottery ticket commits ~~is guilty of~~ a misdemeanor of the second
 1348 degree, punishable as provided in s. 775.082 or s. 775.083. This
 1349 subsection does ~~shall not be construed to~~ prohibit the purchase
 1350 of a lottery ticket through the use of a credit or charge card
 1351 or other instrument issued by a bank, savings association,
 1352 credit union, or charge card company or by a retailer pursuant
 1353 to part II of chapter 520 if, ~~provided that any~~ such purchase
 1354 from a retailer is ~~shall be~~ in addition to the purchase of goods
 1355 and services other than lottery tickets having a cost of no less
 1356 than \$20.

1357 (3) COUNTERFEIT OR ALTERED TICKETS.--Any person who:

HB 1385

2008

1358 (a) Knowingly presents a counterfeit or altered state
 1359 lottery ticket;
 1360 (b) Knowingly transfers a counterfeit or altered state
 1361 lottery ticket to another to present for payment;
 1362 (c) With intent to defraud, falsely makes, alters, forges,
 1363 passes, or counterfeits a state lottery ticket; or
 1364 (d) Files with the division ~~department~~ a claim for payment
 1365 based upon facts alleged by the claimant which facts are untrue
 1366 and known by the claimant to be untrue when the claim is made;
 1367
 1368 commits ~~is guilty of~~ a felony of the third degree, punishable as
 1369 provided in s. 775.082, s. 775.083, or s. 775.084.
 1370 (5) UNLAWFUL REPRESENTATION.--
 1371 (a) Any person who uses point-of-sale materials issued by
 1372 the division ~~department~~ or otherwise holds himself or herself
 1373 out as a retailer without being authorized by the division
 1374 ~~department~~ to act as a retailer commits ~~is guilty of~~ a
 1375 misdemeanor of the first degree, punishable as provided in s.
 1376 775.082 or s. 775.083.
 1377 (b) Any person who without being authorized by the
 1378 division ~~department~~ in writing uses the term "Florida Lottery,"
 1379 "State Lottery," "Florida State Lottery," or any similar term in
 1380 the title or name of any charitable or commercial enterprise,
 1381 product, or service commits ~~is guilty of~~ a misdemeanor of the
 1382 first degree, punishable as provided in s. 775.082 or s.
 1383 775.083.
 1384 Section 21. Section 24.119, Florida Statutes, is amended
 1385 to read:

1386 24.119 Use of word "lottery" in corporate name.--The
 1387 corporate name of a corporation may ~~shall~~ not contain the word
 1388 "lottery" unless the Division ~~Department~~ of the Lottery approves
 1389 such name in writing.

1390 Section 22. Section 24.120, Florida Statutes, is amended
 1391 to read:

1392 24.120 Financial matters; Operating Trust Fund;
 1393 interagency cooperation.--

1394 (1) There is ~~hereby~~ created in the State Treasury an
 1395 Operating Trust Fund to be administered in accordance with
 1396 chapters 215 and 216 by the division ~~department~~. All money
 1397 received by the division ~~department~~ which remains after payment
 1398 of prizes and initial compensation paid to retailers shall be
 1399 deposited into the Operating Trust Fund. All moneys in the trust
 1400 fund are appropriated to the division ~~department~~ for the
 1401 purposes specified in this act.

1402 (2) Moneys available for the payment of prizes on a
 1403 deferred basis shall be invested by the State Board of
 1404 Administration in accordance with a trust agreement approved by
 1405 the division director ~~secretary~~ and entered into between the
 1406 division ~~department~~ and the State Board of Administration in
 1407 accordance with ss. 215.44-215.53. The investments authorized by
 1408 this subsection shall be done in a manner designed to preserve
 1409 capital and to ensure the integrity of the lottery disbursement
 1410 system by eliminating the risk of payment of funds when due and
 1411 to produce equal annual sums of money over the required term of
 1412 the investments.

1413 (3) Any action required by law to be taken by the Chief
 1414 Financial Officer shall be taken within 2 business days after
 1415 the division's ~~department's~~ request therefor. If the request for
 1416 action is not approved or rejected within that time period, the
 1417 request shall be deemed to be approved. The division ~~department~~
 1418 shall reimburse the Chief Financial Officer for any additional
 1419 costs involved in providing the level of service required by
 1420 this subsection.

1421 (4) The division ~~department~~ shall cooperate with the Chief
 1422 Financial Officer, the Auditor General, and the Office of
 1423 Program Policy Analysis and Government Accountability by giving
 1424 employees designated by any of them access to facilities of the
 1425 division ~~department~~ for the purpose of efficient compliance with
 1426 their respective responsibilities.

1427 (5) With respect to any reimbursement that the division
 1428 ~~department~~ is required to pay to any state agency, the division
 1429 ~~department~~ may enter into an agreement with a state agency under
 1430 which the division ~~department~~ shall pay to the state agency an
 1431 amount reasonably anticipated to cover the reimbursable expenses
 1432 in advance of the expenses being incurred.

1433 (6) The Department of Management Services may authorize a
 1434 sales incentive program for employees of the division ~~department~~
 1435 for the purpose of increasing the sales volume and distribution
 1436 of lottery tickets. Payments pursuant to the program are ~~shall~~
 1437 not ~~be construed to be~~ lump-sum salary bonuses.

1438 Section 23. Subsections (1), (2), and (3) and paragraph
 1439 (d) of subsection (5) of section 24.121, Florida Statutes, are
 1440 amended to read:

1441 24.121 Allocation of revenues and expenditure of funds for
1442 public education.--

1443 (1) Variable percentages of the gross revenue from the
1444 sale of online and instant lottery tickets shall be returned to
1445 the public in the form of prizes paid by the division ~~department~~
1446 or retailers as authorized by this act. The variable percentages
1447 of gross revenue from the sale of online and instant lottery
1448 tickets returned to the public in the form of prizes shall be
1449 established by the division ~~department~~ in a manner designed to
1450 maximize the amount of funds deposited under subsection (2).

1451 (2) Each fiscal year, variable percentages of the gross
1452 revenue from the sale of online and instant lottery tickets as
1453 determined by the division ~~department~~ consistent with subsection
1454 (1), and other earned revenue, excluding application processing
1455 fees, shall be deposited in the Educational Enhancement Trust
1456 Fund, which is hereby created in the State Treasury to be
1457 administered by the Department of Education. The Division
1458 ~~Department~~ of the Lottery shall transfer moneys to the
1459 Educational Enhancement Trust Fund at least once each quarter.
1460 Funds in the Educational Enhancement Trust Fund shall be used to
1461 the benefit of public education in accordance with the
1462 provisions of this act. Notwithstanding any other provision of
1463 law, lottery revenues transferred to the Educational Enhancement
1464 Trust Fund shall be reserved as needed and used to meet the
1465 requirements of the documents authorizing the bonds issued by
1466 the state pursuant to s. 1013.68, s. 1013.70, or s. 1013.737 or
1467 distributed to school districts for the Classrooms First Program
1468 as provided in s. 1013.68. Such lottery revenues are ~~hereby~~

1469 pledged to the payment of debt service on bonds issued by the
 1470 state pursuant to s. 1013.68, s. 1013.70, or s. 1013.737. Debt
 1471 service payable on bonds issued by the state pursuant to s.
 1472 1013.68, s. 1013.70, or s. 1013.737 shall be payable from, and
 1473 is secured by a first lien on, the first lottery revenues
 1474 transferred to the Educational Enhancement Trust Fund in each
 1475 fiscal year. Amounts distributable to school districts that
 1476 request the issuance of bonds pursuant to s. 1013.68(3) are
 1477 ~~hereby~~ pledged to such bonds pursuant to s. 11(d), Art. VII of
 1478 the State Constitution.

1479 (3) The funds remaining in the Operating Trust Fund after
 1480 transfers to the Educational Enhancement Trust Fund shall be
 1481 used for the payment of administrative expenses of the division
 1482 ~~department~~. These expenses shall include all costs incurred in
 1483 the operation and administration of the lottery and all costs
 1484 resulting from any contracts entered into for the purchase or
 1485 lease of goods or services required by the lottery, including,
 1486 but not limited to:

1487 (a) The compensation paid to retailers;

1488 (b) The costs of supplies, materials, tickets, independent
 1489 audit services, independent studies, data transmission,
 1490 advertising, promotion, incentives, public relations,
 1491 communications, security, bonding for retailers, printing,
 1492 distribution of tickets, and reimbursing other governmental
 1493 entities for services provided to the lottery; and

1494 (c) The costs of any other goods and services necessary
 1495 for effectuating the purposes of this act.

1496 (5)

1497 (d) ~~No~~ Funds may not ~~shall~~ be released for any purpose
 1498 from the Educational Enhancement Trust Fund to any school
 1499 district in which one or more schools do not have an approved
 1500 school improvement plan pursuant to s. 1001.42(16) or do not
 1501 comply with school advisory council membership composition
 1502 requirements pursuant to s. 1001.452(1). The Commissioner of
 1503 Education shall withhold disbursements from the trust fund to
 1504 any school district that fails to adopt the performance-based
 1505 salary schedule required by s. 1012.22(1).

1506 Section 24. Section 24.1215, Florida Statutes, is amended
 1507 to read:

1508 24.1215 Duty to inform public of lottery's significance to
 1509 education.--The Division ~~Department~~ of the Lottery shall inform
 1510 the public about the significance of lottery funding to the
 1511 state's overall system of public education.

1512 Section 25. Section 24.122, Florida Statutes, is amended
 1513 to read:

1514 24.122 Exemption from taxation; state preemption;
 1515 inapplicability of other laws.--

1516 (1) This act does ~~shall~~ not ~~be construed to~~ authorize any
 1517 lottery except the lottery operated by the division ~~department~~
 1518 pursuant to this act.

1519 (2) A ~~No~~ state or local tax may not ~~shall~~ be imposed upon
 1520 any prize paid or payable under this act or upon the sale of any
 1521 lottery ticket pursuant to this act.

1522 (3) All matters relating to the operation of the state
 1523 lottery are preempted to the state, and a ~~no~~ county,
 1524 municipality, or other political subdivision of the state may

1525 not ~~shall~~ enact any ordinance relating to the operation of the
 1526 lottery authorized by this act. However, this subsection does
 1527 ~~shall~~ not prohibit a political subdivision of the state from
 1528 requiring a retailer to obtain an occupational license for any
 1529 business unrelated to the sale of lottery tickets.

1530 (4) Any state or local law providing any penalty,
 1531 disability, restriction, or prohibition for the possession,
 1532 manufacture, transportation, distribution, advertising, or sale
 1533 of any lottery ticket, including chapter 849, does ~~shall~~ not
 1534 apply to the tickets of the state lottery operated pursuant to
 1535 this act; and ~~nor shall any~~ such law does not apply to the
 1536 possession of a ticket issued by any other government-operated
 1537 lottery. In addition, activities of the division ~~department~~
 1538 under this act are exempt from the provisions of:

1539 (a) Chapter 616, relating to public fairs and expositions.

1540 (b) Chapter 946, relating to correctional work programs.

1541 (c) Chapter 282, relating to communications and data
 1542 processing.

1543 (d) Section 110.131, relating to other personal services.

1544 Section 26. Section 24.123, Florida Statutes, is amended
 1545 to read:

1546 24.123 Annual audit of financial records and reports.--

1547 (1) The Legislative Auditing Committee shall contract with
 1548 a certified public accountant licensed pursuant to chapter 473
 1549 for an annual financial audit of the division ~~department~~. The
 1550 certified public accountant may not ~~shall~~ have any ~~no~~ financial
 1551 interest in any vendor with whom the division ~~department~~ is
 1552 under contract. The certified public accountant shall present an

1553 audit report no later than 7 months after the end of the fiscal
 1554 year and shall make recommendations to enhance the earning
 1555 capability of the state lottery and to improve the efficiency of
 1556 division ~~department~~ operations. The certified public accountant
 1557 shall also perform a study and evaluation of internal accounting
 1558 controls and shall express an opinion on those controls in
 1559 effect during the audit period. The cost of the annual financial
 1560 audit shall be paid by the division ~~department~~.

1561 (2) The Auditor General may at any time conduct an audit
 1562 of any phase of the operations of the state lottery and shall
 1563 receive a copy of the yearly independent financial audit and any
 1564 security report prepared pursuant to s. 24.108.

1565 (3) A copy of any audit performed pursuant to this section
 1566 shall be submitted to the commission, the division director
 1567 ~~secretary~~, the Governor, the President of the Senate, the
 1568 Speaker of the House of Representatives, and members of the
 1569 Legislative Auditing Committee.

1570 Section 27. Section 24.124, Florida Statutes, is amended
 1571 to read:

1572 24.124 Responsibility for ticket accuracy; division
 1573 ~~department~~, retailer, and vendor liability.--

1574 (1) Purchasers of online games tickets shall be
 1575 responsible for verifying the accuracy of their tickets,
 1576 including the number or numbers printed on the tickets. In the
 1577 event of an error, the ticket may be canceled and a replacement
 1578 ticket issued pursuant to rules adopted ~~promulgated~~ by the
 1579 Division ~~Department~~ of the Lottery.

HB 1385

2008

1580 (2) Other than the issuance of a replacement ticket, there
 1581 is ~~shall be~~ no right or cause of action and no liability on the
 1582 part of the division ~~department~~, retailer, vendor, or any other
 1583 person associated with selling an online games ticket, with
 1584 respect to errors or inaccuracies contained in the ticket,
 1585 including errors in the number or numbers printed on the ticket.

1586 Section 28. Paragraph (a) of subsection (9) of section
 1587 112.313, Florida Statutes, is amended to read:

1588 112.313 Standards of conduct for public officers,
 1589 employees of agencies, and local government attorneys.--

1590 (9) POSTEMPLOYMENT RESTRICTIONS; STANDARDS OF CONDUCT FOR
 1591 LEGISLATORS AND LEGISLATIVE EMPLOYEES.--

1592 (a)1. It is the intent of the Legislature to implement by
 1593 statute the provisions of s. 8(e), Art. II of the State
 1594 Constitution relating to legislators, statewide elected
 1595 officers, appointed state officers, and designated public
 1596 employees.

1597 2. As used in this paragraph:

1598 a. "Employee" means:

1599 (I) Any person employed in the executive or legislative
 1600 branch of government holding a position in the Senior Management
 1601 Service as defined in s. 110.402 or any person holding a
 1602 position in the Selected Exempt Service as defined in s. 110.602
 1603 or any person having authority over policy or procurement
 1604 employed by the Division ~~Department~~ of the Lottery within the
 1605 Department of Gaming Control.

1606 (II) The Auditor General, the director of the Office of
 1607 Program Policy Analysis and Government Accountability, the

1608 Sergeant at Arms and Secretary of the Senate, and the Sergeant
 1609 at Arms and Clerk of the House of Representatives.

1610 (III) The executive director of the Legislative Committee
 1611 on Intergovernmental Relations and the executive director and
 1612 deputy executive director of the Commission on Ethics.

1613 (IV) An executive director, staff director, or deputy
 1614 staff director of each joint committee, standing committee, or
 1615 select committee of the Legislature; an executive director,
 1616 staff director, executive assistant, analyst, or attorney of the
 1617 Office of the President of the Senate, the Office of the Speaker
 1618 of the House of Representatives, the Senate Majority Party
 1619 Office, Senate Minority Party Office, House Majority Party
 1620 Office, or House Minority Party Office; or any person, hired on
 1621 a contractual basis, having the power normally conferred upon
 1622 such persons, by whatever title.

1623 (V) The Chancellor and Vice Chancellors of the State
 1624 University System; the general counsel to the Board of Governors
 1625 of the State University System; and the president, provost, vice
 1626 presidents, and deans of each state university.

1627 (VI) Any person, including an other-personal-services
 1628 employee, having the power normally conferred upon the positions
 1629 referenced in this sub-subparagraph.

1630 b. "Appointed state officer" means any member of an
 1631 appointive board, commission, committee, council, or authority
 1632 of the executive or legislative branch of state government whose
 1633 powers, jurisdiction, and authority are not solely advisory and
 1634 include the final determination or adjudication of any personal

1635 or property rights, duties, or obligations, other than those
 1636 relative to its internal operations.

1637 c. "State agency" means an entity of the legislative,
 1638 executive, or judicial branch of state government over which the
 1639 Legislature exercises plenary budgetary and statutory control.

1640 3. A ~~No~~ member of the Legislature, appointed state
 1641 officer, or statewide elected officer may not ~~shall~~ personally
 1642 represent another person or entity for compensation before the
 1643 government body or agency of which the individual was an officer
 1644 or member for a period of 2 years following vacation of office.
 1645 A ~~No~~ member of the Legislature may not ~~shall~~ personally
 1646 represent another person or entity for compensation during his
 1647 or her term of office before any state agency other than
 1648 judicial tribunals or in settlement negotiations after the
 1649 filing of a lawsuit.

1650 4. An agency employee, including an agency employee who
 1651 was employed on July 1, 2001, in a Career Service System
 1652 position that was transferred to the Selected Exempt Service
 1653 System under chapter 2001-43, Laws of Florida, may not
 1654 personally represent another person or entity for compensation
 1655 before the agency with which he or she was employed for a period
 1656 of 2 years following vacation of position, unless employed by
 1657 another agency of state government.

1658 5. Any person violating this paragraph shall be subject to
 1659 the penalties provided in s. 112.317 and a civil penalty of an
 1660 amount equal to the compensation which the person receives for
 1661 the prohibited conduct.

1662 6. This paragraph is not applicable to:

- 1663 a. A person employed by the Legislature or other agency
- 1664 prior to July 1, 1989;
- 1665 b. A person who was employed by the Legislature or other
- 1666 agency on July 1, 1989, whether or not the person was a defined
- 1667 employee on July 1, 1989;
- 1668 c. A person who was a defined employee of the State
- 1669 University System or the Public Service Commission who held such
- 1670 employment on December 31, 1994;
- 1671 d. A person who has reached normal retirement age as
- 1672 defined in s. 121.021(29), and who has retired under the
- 1673 provisions of chapter 121 by July 1, 1991; or
- 1674 e. Any appointed state officer whose term of office began
- 1675 before January 1, 1995, unless reappointed to that office on or
- 1676 after January 1, 1995.

1677 Section 29. Subsection (4) of section 120.80, Florida
 1678 Statutes, is amended, and subsection (18) is added to that
 1679 section, to read:

1680 120.80 Exceptions and special requirements; agencies.--

1681 (4) DEPARTMENT OF BUSINESS AND PROFESSIONAL REGULATION.--

1682 ~~(a) Business regulation. The Division of Pari-mutuel~~
 1683 ~~Wagering is exempt from the hearing and notice requirements of~~
 1684 ~~ss. 120.569 and 120.57(1)(a), but only for stewards, judges, and~~
 1685 ~~boards of judges when the hearing is to be held for the purpose~~
 1686 ~~of the imposition of fines or suspensions as provided by rules~~
 1687 ~~of the Division of Pari-mutuel Wagering, but not for~~
 1688 ~~revocations, and only upon violations of subparagraphs 1. 6. The~~
 1689 ~~Division of Pari-mutuel Wagering shall adopt rules establishing~~

1690 ~~alternative procedures, including a hearing upon reasonable~~
 1691 ~~notice, for the following violations:~~

1692 ~~1. Horse riding, harness riding, greyhound interference,~~
 1693 ~~and jai alai game actions in violation of chapter 550.~~

1694 ~~2. Application and usage of drugs and medication to~~
 1695 ~~horses, greyhounds, and jai alai players in violation of chapter~~
 1696 ~~550.~~

1697 ~~3. Maintaining or possessing any device which could be~~
 1698 ~~used for the injection or other infusion of a prohibited drug to~~
 1699 ~~horses, greyhounds, and jai alai players in violation of chapter~~
 1700 ~~550.~~

1701 ~~4. Suspensions under reciprocity agreements between the~~
 1702 ~~Division of Pari-mutuel Wagering and regulatory agencies of~~
 1703 ~~other states.~~

1704 ~~5. Assault or other crimes of violence on premises~~
 1705 ~~licensed for pari-mutuel wagering.~~

1706 ~~6. Prearranging the outcome of any race or game.~~

1707 ~~(b) Professional regulation.~~ Notwithstanding s.
 1708 120.57(1)(a), formal hearings may not be conducted by the
 1709 Secretary of Business and Professional Regulation or a board or
 1710 member of a board within the Department of Business and
 1711 Professional Regulation for matters relating to the regulation
 1712 of professions, as defined by chapter 455.

1713 (18) DEPARTMENT OF GAMING CONTROL.--The Bureau of Pari-
 1714 mutuel Wagering within the Division of Gambling Oversight is
 1715 exempt from the hearing and notice requirements of ss. 120.569
 1716 and 120.57(1)(a), but only for stewards, judges, and boards of
 1717 judges when the hearing is to be held for the purpose of the

1718 imposition of fines or suspension as provided by rules of the
 1719 Bureau of Pari-mutuel Wagering, but not for revocations, and
 1720 only upon violations of paragraphs (a)-(f). The Bureau of Pari-
 1721 mutuel Wagering shall adopt rules establishing alternative
 1722 procedures, including a hearing upon reasonable notice, for the
 1723 following violations:

1724 (a) Horse riding, harness riding, greyhound interference,
 1725 and jai alai game actions in violation of chapter 550.

1726 (b) Application and usage of drugs and medication to
 1727 horses, greyhounds, and jai alai players in violation of chapter
 1728 550.

1729 (c) Maintaining or possessing any device that could be
 1730 used for the injection or other infusion of a prohibited drug to
 1731 horses, greyhounds, and jai alai players in violation of chapter
 1732 550.

1733 (d) Suspensions under reciprocity agreements between the
 1734 Bureau of Pari-mutuel Wagering and regulatory agencies of other
 1735 states.

1736 (e) Assault or other crimes of violence on premises
 1737 licensed for pari-mutuel wagering.

1738 (f) Prearranging the outcome of any race or game.

1739 Section 30. Paragraph (e) of subsection (8) of section
 1740 213.053, Florida Statutes, is amended to read:

1741 213.053 Confidentiality and information sharing.--

1742 (8) Notwithstanding any other provision of this section,
 1743 the department may provide:

1744 (e) Names, addresses, taxpayer identification numbers, and
 1745 outstanding tax liabilities to the Division ~~Department~~ of the

HB 1385

2008

1746 Lottery of the Department of Gaming Control and the Office of
 1747 Financial Regulation of the Financial Services Commission in the
 1748 conduct of their official duties.

1749
 1750 Disclosure of information under this subsection shall be
 1751 pursuant to a written agreement between the executive director
 1752 and the agency. Such agencies, governmental or nongovernmental,
 1753 shall be bound by the same requirements of confidentiality as
 1754 the Department of Revenue. Breach of confidentiality is a
 1755 misdemeanor of the first degree, punishable as provided by s.
 1756 775.082 or s. 775.083.

1757 Section 31. Paragraph (d) of subsection (4) of section
 1758 215.20, Florida Statutes, is amended, and paragraph (y) is added
 1759 to that subsection, to read:

1760 215.20 Certain income and certain trust funds to
 1761 contribute to the General Revenue Fund.--

1762 (4) The income of a revenue nature deposited in the
 1763 following described trust funds, by whatever name designated, is
 1764 that from which the appropriations authorized by subsection (3)
 1765 shall be made:

1766 (d) Within the Department of Business and Professional
 1767 Regulation:

- 1768 1. The Administrative Trust Fund.
- 1769 2. The Alcoholic Beverage and Tobacco Trust Fund.
- 1770 3. The Cigarette Tax Collection Trust Fund.
- 1771 4. The Division of Florida Land Sales, Condominiums, and
 1772 Mobile Homes Trust Fund.

1773 5. The Hotel and Restaurant Trust Fund, with the exception
 1774 of those fees collected for the purpose of funding of the
 1775 hospitality education program as stated in s. 509.302.

1776 6. The Professional Regulation Trust Fund.

1777 ~~7. The trust funds administered by the Division of Pari-~~
 1778 ~~mutuel Wagering.~~

1779 (y) Within the Department of Gaming Control, the trust
 1780 funds administered by the Bureau of Pari-mutuel Wagering within
 1781 the Division of Gambling Oversight.

1782
 1783 The enumeration of the foregoing moneys or trust funds shall not
 1784 prohibit the applicability thereto of s. 215.24 should the
 1785 Governor determine that for the reasons mentioned in s. 215.24
 1786 the money or trust funds should be exempt herefrom, as it is the
 1787 purpose of this law to exempt income from its force and effect
 1788 when, by the operation of this law, federal matching funds or
 1789 contributions or private grants to any trust fund would be lost
 1790 to the state.

1791 Section 32. Paragraph (b) of subsection (1) of section
 1792 215.22, Florida Statutes, is amended to read:

1793 215.22 Certain income and certain trust funds exempt.--

1794 (1) The following income of a revenue nature or the
 1795 following trust funds shall be exempt from the appropriation
 1796 required by s. 215.20(1):

1797 (b) Trust funds administered by the Division ~~Department~~ of
 1798 the Lottery within the Department of Gaming Control.

1799 Section 33. Subsection (16) of section 215.422, Florida
 1800 Statutes, is amended to read:

HB 1385

2008

1801 215.422 Payments, warrants, and invoices; processing time
 1802 limits; dispute resolution; agency or judicial branch
 1803 compliance.--

1804 (16) Notwithstanding the provisions of s. 24.120(3),
 1805 applicable to warrants issued for payment of invoices submitted
 1806 by the Division Department of the Lottery within the Department
 1807 of Gaming Control, the Chief Financial Officer may, by written
 1808 agreement with the Division Department of the Lottery, establish
 1809 a shorter time requirement than the 10 days provided in
 1810 subsection (2) for warrants issued for payment. Pursuant to such
 1811 written agreement, the Division Department of the Lottery within
 1812 the Department of Gaming Control shall reimburse the Chief
 1813 Financial Officer for costs associated with processing invoices
 1814 under the agreement.

1815 Section 34. Subsection (10) of section 287.045, Florida
 1816 Statutes, is amended to read:

1817 287.045 Procurement of products and materials with
 1818 recycled content.--

1819 (10) An agency, or a vendor contracting with such agency
 1820 with respect to work performed under contract, must procure
 1821 products or materials with recycled content if the department
 1822 determines that those products or materials are available
 1823 pursuant to subsection (5). Notwithstanding any other provision
 1824 to the contrary, for the purpose of this section, the term
 1825 "agency" means any of the various state officers, departments,
 1826 boards, commissions, divisions, bureaus, and councils and any
 1827 other unit of organization, however designated, of the executive
 1828 branch including the Department of Gaming Control ~~the Lottery~~,

HB 1385

2008

1829 the legislative branch, the judicial branch, the university and
 1830 college boards of trustees, and the state universities and
 1831 colleges. A decision not to procure such items must be based on
 1832 the department's determination that such procurement is not
 1833 reasonably available within an acceptable period of time or
 1834 fails to meet the performance standards set forth in the
 1835 applicable specifications or fails to meet the performance
 1836 standards of the agency.

1837 Section 35. Subsections (6) and (7) of section 455.116,
 1838 Florida Statutes, are amended to read:

1839 455.116 Regulation trust funds.--The following trust funds
 1840 shall be placed in the department:

1841 ~~(6) Pari-mutuel Wagering Trust Fund.~~

1842 (6)~~(7)~~ Professional Regulation Trust Fund.

1843 Section 36. Subsections (6) and (7) of section 550.002,
 1844 Florida Statutes, are amended, and subsections (40) and (41) are
 1845 added to that section, to read:

1846 550.002 Definitions.--As used in this chapter, the term:

1847 (6) "Department" means the Department of Gaming Control
 1848 ~~Business and Professional Regulation.~~

1849 (7) "Division" means the Division of Gambling Oversight
 1850 ~~Pari-mutuel Wagering~~ within the Department of Gaming Control
 1851 ~~Business and Professional Regulation.~~

1852 (40) "Bureau" means the Bureau of Pari-mutuel Wagering
 1853 within the Division of Gambling Oversight of the Department of
 1854 Gaming Control.

1855 (41) "Commission" means the Gaming Commission.

1856 Section 37. Section 550.0115, Florida Statutes, is amended
 1857 to read:

1858 550.0115 Permitholder license.--After a permit has been
 1859 issued by the bureau ~~division~~, and after the permit has been
 1860 approved by election, the bureau ~~division~~ shall issue to the
 1861 permitholder an annual license to conduct pari-mutuel operations
 1862 at the location specified in the permit pursuant to the
 1863 provisions of this chapter.

1864 Section 38. Section 550.01215, Florida Statutes, is
 1865 amended to read:

1866 550.01215 License application; periods of operation; bond,
 1867 conversion of permit.--

1868 (1) Each permitholder shall annually, during the period
 1869 between December 15 and January 4, file in writing with the
 1870 bureau ~~division~~ its application for a license to conduct
 1871 performances during the next state fiscal year. Each application
 1872 shall specify the number, dates, and starting times of all
 1873 performances which the permitholder intends to conduct. It shall
 1874 also specify which performances will be conducted as charity or
 1875 scholarship performances. In addition, each application for a
 1876 license shall include, for each permitholder which elects to
 1877 operate a cardroom, the dates and periods of operation the
 1878 permitholder intends to operate the cardroom or, for each
 1879 thoroughbred permitholder which elects to receive or rebroadcast
 1880 out-of-state races after 7 p.m., the dates for all performances
 1881 which the permitholder intends to conduct. Permitholders shall
 1882 be entitled to amend their applications through February 28.

1883 (2) After the first license has been issued to a
 1884 permitholder, all subsequent annual applications for a license
 1885 shall be accompanied by proof, in such form as the bureau
 1886 ~~division~~ may by rule require, that the permitholder continues to
 1887 possess the qualifications prescribed by this chapter, and that
 1888 the permit has not been disapproved at a later election.

1889 (3) Except as provided in s. 550.5251 for thoroughbred
 1890 racing, the bureau ~~division~~ shall issue each license no later
 1891 than March 15. Each permitholder shall operate all performances
 1892 at the date and time specified on its license. The bureau may
 1893 ~~division shall have the authority to~~ approve minor changes in
 1894 racing dates after a license has been issued. The bureau
 1895 ~~division~~ may approve changes in racing dates after a license has
 1896 been issued when there is no objection from any operating
 1897 permitholder located within 50 miles of the permitholder
 1898 requesting the changes in operating dates. In the event of an
 1899 objection, the bureau ~~division~~ shall approve or disapprove the
 1900 change in operating dates based upon the impact on operating
 1901 permitholders located within 50 miles of the permitholder
 1902 requesting the change in operating dates. In making the
 1903 determination to change racing dates, the bureau ~~division~~ shall
 1904 take into consideration the impact of such changes on state
 1905 revenues.

1906 (4) If ~~In the event that~~ a permitholder fails to operate
 1907 all performances specified on its license at the date and time
 1908 specified, the bureau ~~division~~ shall hold a hearing to determine
 1909 whether to fine or suspend the permitholder's license, unless
 1910 such failure was the direct result of fire, strike, war, or

HB 1385

2008

1911 other disaster or event beyond the ability of the permitholder
 1912 to control. Financial hardship to the permitholder does ~~shall~~
 1913 not, in and of itself, constitute just cause for failure to
 1914 operate all performances on the dates and at the times
 1915 specified.

1916 (5) If ~~In the event that~~ performances licensed to be
 1917 operated by a permitholder are vacated, abandoned, or will not
 1918 be used for any reason, any permitholder is ~~shall be~~ entitled,
 1919 pursuant to rules adopted by the bureau ~~division~~, to apply to
 1920 conduct performances on the dates for which the performances
 1921 have been abandoned. The bureau ~~division~~ shall issue an amended
 1922 license for all such replacement performances that ~~which~~ have
 1923 been requested in compliance with ~~the provisions of~~ this chapter
 1924 and bureau ~~division~~ rules.

1925 (6) Any permit that ~~which~~ was converted from a jai alai
 1926 permit to a greyhound permit may be converted to a jai alai
 1927 permit at any time if the permitholder never conducted greyhound
 1928 racing or if the permitholder has not conducted greyhound racing
 1929 for a period of 12 consecutive months.

1930 Section 39. Section 550.0235, Florida Statutes, is amended
 1931 to read:

1932 550.0235 Limitation of civil liability.--No permittee
 1933 conducting a racing meet pursuant to the provisions of this
 1934 chapter; no bureau chief, division director, or employee of the
 1935 bureau ~~division~~; and no steward, judge, or other person
 1936 appointed to act pursuant to this chapter shall be held liable
 1937 to any person, partnership, association, corporation, or other
 1938 business entity for any cause whatsoever arising out of, or

HB 1385

2008

1939 from, the performance by such permittee, bureau chief, director,
 1940 employee, steward, judge, or other person of her or his duties
 1941 and the exercise of her or his discretion with respect to the
 1942 implementation and enforcement of the statutes and rules
 1943 governing the conduct of pari-mutuel wagering, so long as she or
 1944 he acted in good faith. This section does ~~shall~~ not limit
 1945 liability in any situation in which the negligent maintenance of
 1946 the premises or the negligent conduct of a race contributed to
 1947 an accident; and does not ~~nor shall it~~ limit any contractual
 1948 liability.

1949 Section 40. Section 550.0251, Florida Statutes, is amended
 1950 to read:

1951 550.0251 The powers and duties of the Bureau ~~Division~~ of
 1952 Pari-mutuel Wagering within the Division of Gambling Oversight
 1953 of the Department of Gaming Control ~~Business and Professional~~
 1954 ~~Regulation~~.--The bureau ~~division~~ shall administer this chapter
 1955 and regulate the pari-mutuel industry under this chapter and the
 1956 rules adopted pursuant thereto, and:

1957 (1) The bureau ~~division~~ shall make an annual report to the
 1958 Governor showing its own actions, receipts derived under the
 1959 provisions of this chapter, the practical effects of the
 1960 application of this chapter, and any suggestions it may approve
 1961 for the more effectual accomplishments of the purposes of this
 1962 chapter.

1963 (2) The bureau ~~division~~ shall require an oath on
 1964 application documents as required by rule, which oath must state
 1965 that the information contained in the document is true and
 1966 complete.

1967 (3) The bureau ~~division~~ shall adopt reasonable rules for
 1968 the control, supervision, and direction of all applicants,
 1969 permittees, and licensees and for the holding, conducting, and
 1970 operating of all racetracks, race meets, and races held in this
 1971 state. Such rules must be uniform in their application and
 1972 effect, and the duty of exercising this control and power is
 1973 made mandatory upon the bureau ~~division~~.

1974 (4) The bureau ~~division~~ may take testimony concerning any
 1975 matter within its jurisdiction and issue summons and subpoenas
 1976 for any witness and subpoenas duces tecum in connection with any
 1977 matter within the jurisdiction of the bureau ~~division~~ under its
 1978 seal and signed by the director.

1979 (5) The bureau ~~division~~ may adopt rules establishing
 1980 procedures for testing occupational licenseholders officiating
 1981 at or participating in any race or game at any pari-mutuel
 1982 facility under the jurisdiction of the bureau ~~division~~ for a
 1983 controlled substance or alcohol and may prescribe procedural
 1984 matters not in conflict with s. 120.80(4)(a).

1985 (6) In addition to the power to exclude certain persons
 1986 from any pari-mutuel facility in this state, the bureau ~~division~~
 1987 may exclude any person from any and all pari-mutuel facilities
 1988 in this state for conduct that would constitute, if the person
 1989 were a licensee, a violation of this chapter or the rules of the
 1990 bureau ~~division~~. The bureau ~~division~~ may exclude from any pari-
 1991 mutuel facility within this state any person who has been
 1992 ejected from a pari-mutuel facility in this state or who has
 1993 been excluded from any pari-mutuel facility in another state by
 1994 the governmental department, agency, commission, or authority

1995 exercising regulatory jurisdiction over pari-mutuel facilities
 1996 in such other state. The bureau ~~division~~ may authorize any
 1997 person who has been ejected or excluded from pari-mutuel
 1998 facilities in this state or another state to attend the pari-
 1999 mutuel facilities in this state upon a finding that the
 2000 attendance of such person at pari-mutuel facilities would not be
 2001 adverse to the public interest or to the integrity of the sport
 2002 or industry; however, this subsection does ~~shall~~ not be
 2003 ~~construed to~~ abrogate the common-law right of a pari-mutuel
 2004 permitholder to exclude absolutely a patron in this state.

2005 (7) The bureau ~~division~~ may oversee the making of, and
 2006 distribution from, all pari-mutuel pools.

2007 (8) The bureau ~~department~~ may collect taxes and require
 2008 compliance with reporting requirements for financial information
 2009 as authorized by this chapter. In addition, the commission
 2010 ~~secretary of the department~~ may require permitholders conducting
 2011 pari-mutuel operations within the state to remit taxes,
 2012 including fees, by electronic funds transfer if the taxes and
 2013 fees amounted to \$50,000 or more in the prior reporting year.

2014 (9) The bureau ~~division~~ may conduct investigations in
 2015 enforcing this chapter, except that all information obtained
 2016 pursuant to an investigation by the bureau ~~division~~ for an
 2017 alleged violation of this chapter or rules of the bureau
 2018 ~~division~~ is exempt from s. 119.07(1) and from s. 24(a), Art. I
 2019 of the State Constitution until an administrative complaint is
 2020 issued or the investigation is closed or ceases to be active.
 2021 This subsection does not prohibit the bureau ~~division~~ from
 2022 providing such information to any law enforcement agency or to

2023 any other regulatory agency. For the purposes of this
 2024 subsection, an investigation is considered to be active while it
 2025 is being conducted with reasonable dispatch and with a
 2026 reasonable, good faith belief that it could lead to an
 2027 administrative, civil, or criminal action by the division or
 2028 another administrative or law enforcement agency. Except for
 2029 active criminal intelligence or criminal investigative
 2030 information, as defined in s. 119.011, and any other information
 2031 that, if disclosed, would jeopardize the safety of an
 2032 individual, all information, records, and transcriptions become
 2033 public when the investigation is closed or ceases to be active.

2034 (10) The bureau ~~division~~ may impose an administrative fine
 2035 for a violation under this chapter of not more than \$1,000 for
 2036 each count or separate offense, except as otherwise provided in
 2037 this chapter, and may suspend or revoke a permit, a pari-mutuel
 2038 license, or an occupational license for a violation under this
 2039 chapter. All fines imposed and collected under this subsection
 2040 must be deposited with the Chief Financial Officer to the credit
 2041 of the General Revenue Fund.

2042 (11) The bureau ~~division~~ shall supervise and regulate the
 2043 welfare of racing animals at pari-mutuel facilities.

2044 (12) The Bureau of Cardrooms within the Division of
 2045 Gambling Oversight ~~division~~ shall have full authority and power
 2046 to make, adopt, amend, or repeal rules relating to cardroom
 2047 operations, to enforce and to carry out the provisions of s.
 2048 849.086, and to regulate the authorized cardroom activities in
 2049 the state.

2050 (13) The bureau ~~may division~~ shall have the authority to
 2051 suspend a permitholder's permit or license, if such permitholder
 2052 is operating a cardroom facility and such permitholder's
 2053 cardroom license has been suspended or revoked pursuant to s.
 2054 849.086.

2055 Section 41. Subsections (1), (2), (4), (6), and (8) of
 2056 section 550.0351, Florida Statutes, are amended to read:

2057 550.0351 Charity racing days.--

2058 (1) The bureau ~~division~~ shall, upon the request of a
 2059 permitholder, authorize each horseracing permitholder, dogracing
 2060 permitholder, and jai alai permitholder up to five charity or
 2061 scholarship days in addition to the regular racing days
 2062 authorized by law.

2063 (2) The proceeds of charity performances shall be paid to
 2064 qualified beneficiaries selected by the permitholders from an
 2065 authorized list of charities on file with the bureau ~~division~~.
 2066 Eligible charities include any charity that provides evidence of
 2067 compliance with the provisions of chapter 496 and evidence of
 2068 possession of a valid exemption from federal taxation issued by
 2069 the Internal Revenue Service. In addition, the authorized list
 2070 must include the Racing Scholarship Trust Fund, the Historical
 2071 Resources Operating Trust Fund, major state and private
 2072 institutions of higher learning, and Florida community colleges.

2073 (4) The total of all profits derived from the conduct of a
 2074 charity day performance must include all revenues derived from
 2075 the conduct of that racing performance, including all state
 2076 taxes that would otherwise be due to the state, except that the
 2077 daily license fee as provided in s. 550.0951(1) and the breaks

2078 for the promotional trust funds as provided in s. 550.2625(3),
 2079 (4), (5), (7), and (8) shall be paid to the bureau ~~division~~. All
 2080 other revenues from the charity racing performance, including
 2081 the commissions, breaks, and admissions and the revenues from
 2082 parking, programs, and concessions, shall be included in the
 2083 total of all profits.

2084 (6) (a) The bureau ~~division~~ shall authorize one additional
 2085 scholarship day for horseracing in addition to the regular
 2086 racing days authorized by law and any additional days authorized
 2087 by this section, to be conducted at all horse racetracks located
 2088 in Hillsborough County. The permitholder shall conduct a full
 2089 schedule of racing on the scholarship day.

2090 (b) The funds derived from the operation of the additional
 2091 scholarship day shall be allocated as provided in this section
 2092 and paid to Pasco-Hernando Community College.

2093 (c) When a charity or scholarship performance is conducted
 2094 as a matinee performance, the bureau ~~division~~ may authorize the
 2095 permitholder to conduct the evening performances of that
 2096 operation day as a regular performance in addition to the
 2097 regular operating days authorized by law.

2098 (8) In addition to the eligible charities that meet the
 2099 criteria set forth in this section, a jai alai permitholder is
 2100 authorized to conduct two additional charity performances each
 2101 fiscal year for a fund to benefit retired jai alai players. This
 2102 performance shall be known as the "Retired Jai Alai Players
 2103 Charity Day." The administration of this fund shall be
 2104 determined by rule by the bureau ~~division~~.

2105 Section 42. Section 550.054, Florida Statutes, is amended
 2106 to read:

2107 550.054 Application for permit to conduct pari-mutuel
 2108 wagering.--

2109 (1) Any person who possesses the qualifications prescribed
 2110 in this chapter may apply to the bureau ~~division~~ for a permit to
 2111 conduct pari-mutuel operations under this chapter. Applications
 2112 for a pari-mutuel permit are exempt from the 90-day licensing
 2113 requirement of s. 120.60. Within 120 days after receipt of a
 2114 complete application, the bureau ~~division~~ shall grant or deny
 2115 the permit. A completed application that is not acted upon
 2116 within 120 days after receipt is deemed approved, and the bureau
 2117 ~~division~~ shall grant the permit.

2118 (2) Upon each application filed and approved, a permit
 2119 shall be issued to the applicant setting forth the name of the
 2120 permitholder, the location of the pari-mutuel facility, the type
 2121 of pari-mutuel activity desired to be conducted, and a statement
 2122 showing qualifications of the applicant to conduct pari-mutuel
 2123 performances under this chapter; however, a permit is
 2124 ineffectual to authorize any pari-mutuel performances until
 2125 approved by a majority of the electors participating in a
 2126 ratification election in the county in which the applicant
 2127 proposes to conduct pari-mutuel wagering activities. In
 2128 addition, an application may not be considered, nor may a permit
 2129 be issued by the bureau ~~division~~ or be voted upon in any county,
 2130 to conduct horseraces, harness horse races, or dograces at a
 2131 location within 100 miles of an existing pari-mutuel facility,
 2132 or for jai alai within 50 miles of an existing pari-mutuel

2133 facility; this distance shall be measured on a straight line
 2134 from the nearest property line of one pari-mutuel facility to
 2135 the nearest property line of the other facility.

2136 (3) The bureau ~~division~~ shall require that each applicant
 2137 submit an application setting forth:

2138 (a) The full name of the applicant.

2139 (b) If a corporation, the name of the state in which
 2140 incorporated and the names and addresses of the officers,
 2141 directors, and shareholders holding 5 percent or more equity or,
 2142 if a business entity other than a corporation, the names and
 2143 addresses of the principals, partners, or shareholders holding 5
 2144 percent or more equity.

2145 (c) The names and addresses of the ultimate equitable
 2146 owners for a corporation or other business entity, if different
 2147 from those provided under paragraph (b), unless the securities
 2148 of the corporation or entity are registered pursuant to s. 12 of
 2149 the Securities Exchange Act of 1934, 15 U.S.C. ss. 78a-78kk; and
 2150 if such corporation or entity files with the United States
 2151 Securities and Exchange Commission the reports required by s. 13
 2152 of that act or if the securities of the corporation or entity
 2153 are regularly traded on an established securities market in the
 2154 United States.

2155 (d) The exact location where the applicant will conduct
 2156 pari-mutuel performances.

2157 (e) Whether the pari-mutuel facility is owned or leased
 2158 and, if leased, the name and residence of the fee owner or, if a
 2159 corporation, the names and addresses of the directors and
 2160 stockholders thereof. However, this chapter does not prevent a

2161 person from applying to the bureau ~~division~~ for a permit to
 2162 conduct pari-mutuel operations, regardless of whether the pari-
 2163 mutuel facility has been constructed or not, and having an
 2164 election held in any county at the same time that elections are
 2165 held for the ratification of any permit in that county.

2166 (f) A statement of the assets and liabilities of the
 2167 applicant.

2168 (g) The names and addresses of any mortgagee of any pari-
 2169 mutuel facility and any financial agreement between the parties.
 2170 The bureau ~~division~~ may require the names and addresses of the
 2171 officers and directors of the mortgagee, and of those
 2172 stockholders who hold more than 10 percent of the stock of the
 2173 mortgagee.

2174 (h) A business plan for the first year of operation.

2175 (i) For each individual listed in the application as an
 2176 owner, partner, officer, or director, a complete set of
 2177 fingerprints that has been taken by an authorized law
 2178 enforcement officer. These sets of fingerprints must be
 2179 submitted to the Federal Bureau of Investigation for processing.
 2180 Applicants who are foreign nationals shall submit such documents
 2181 as necessary to allow the bureau ~~division~~ to conduct criminal
 2182 history records checks in the applicant's home country. The
 2183 applicant must pay the cost of processing. The bureau ~~division~~
 2184 may charge a \$2 handling fee for each set of fingerprint
 2185 records.

2186 (j) The type of pari-mutuel activity to be conducted and
 2187 the desired period of operation.

2188 (k) Other information the bureau ~~division~~ requires.

2189 (4) The bureau ~~division~~ shall require each applicant to
 2190 deposit with the board of county commissioners of the county in
 2191 which the election is to be held, a sufficient sum, in currency
 2192 or by check certified by a bank licensed to do business in the
 2193 state to pay the expenses of holding the election provided in s.
 2194 550.0651.

2195 (5) Upon receiving an application and any amendments
 2196 properly made thereto, the bureau ~~division~~ shall further
 2197 investigate the matters contained in the application. If the
 2198 applicant meets all requirements, conditions, and qualifications
 2199 set forth in this chapter and the rules of the bureau ~~division~~,
 2200 the bureau ~~division~~ shall grant the permit.

2201 (6) After initial approval of the permit and the source of
 2202 financing, the terms and parties of any subsequent refinancing
 2203 must be disclosed by the applicant or the permitholder to the
 2204 bureau ~~division~~.

2205 (7) If the bureau ~~division~~ refuses to grant the permit,
 2206 the money deposited with the board of county commissioners for
 2207 holding the election must be refunded to the applicant. If the
 2208 bureau ~~division~~ grants the permit applied for, the board of
 2209 county commissioners shall order an election in the county to
 2210 decide whether the permit will be approved, as provided in s.
 2211 550.0651.

2212 (8) (a) The bureau ~~division~~ may charge the applicant for
 2213 reasonable, anticipated costs incurred by the bureau ~~division~~ in
 2214 determining the eligibility of any person or entity specified in
 2215 s. 550.1815(1) (a) to hold any pari-mutuel permit, against such
 2216 person or entity.

2217 (b) The bureau ~~division~~ may, by rule, determine the manner
 2218 of paying its anticipated costs associated with determination of
 2219 eligibility and the procedure for filing applications for
 2220 determination of eligibility.

2221 (c) The bureau ~~division~~ shall furnish to the applicant an
 2222 itemized statement of actual costs incurred during the
 2223 investigation to determine eligibility.

2224 (d) If unused funds remain at the conclusion of such
 2225 investigation, they must be returned to the applicant within 60
 2226 days after the determination of eligibility has been made.

2227 (e) If the actual costs of investigation exceed
 2228 anticipated costs, the bureau ~~division~~ shall assess the
 2229 applicant the amount necessary to recover all actual costs.

2230 (9) (a) After a permit has been granted by the bureau
 2231 ~~division~~ and has been ratified and approved by the majority of
 2232 the electors participating in the election in the county
 2233 designated in the permit, the bureau ~~division~~ shall grant to the
 2234 lawful permitholder, subject to the conditions of this chapter,
 2235 a license to conduct pari-mutuel operations under this chapter,
 2236 and, except as provided in s. 550.5251, the bureau ~~division~~
 2237 shall fix annually the time, place, and number of days during
 2238 which pari-mutuel operations may be conducted by the
 2239 permitholder at the location fixed in the permit and ratified in
 2240 the election. After the first license has been issued to the
 2241 holder of a ratified permit for racing in any county, all
 2242 subsequent annual applications for a license by that
 2243 permitholder must be accompanied by proof, in such form as the
 2244 bureau ~~division~~ requires, that the ratified permitholder still

2245 possesses all the qualifications prescribed by this chapter and
 2246 that the permit has not been recalled at a later election held
 2247 in the county.

2248 (b) The bureau ~~division~~ may revoke or suspend any permit
 2249 or license issued under this chapter upon the willful violation
 2250 by the permitholder or licensee of any provision of this chapter
 2251 or of any rule adopted under this chapter. In lieu of suspending
 2252 or revoking a permit or license, the bureau ~~division~~ may impose
 2253 a civil penalty against the permitholder or licensee for a
 2254 violation of this chapter or any rule adopted by the bureau
 2255 ~~division~~. The penalty so imposed may not exceed \$1,000 for each
 2256 count or separate offense. All penalties imposed and collected
 2257 must be deposited with the Chief Financial Officer to the credit
 2258 of the General Revenue Fund.

2259 (10) If a permitholder has failed to complete construction
 2260 of at least 50 percent of the facilities necessary to conduct
 2261 pari-mutuel operations within 12 months after approval by the
 2262 voters of the permit, the bureau ~~division~~ shall revoke the
 2263 permit upon adequate notice to the permitholder. However, the
 2264 bureau ~~division~~, upon good cause shown by the permitholder, may
 2265 grant one extension of up to 12 months.

2266 (11) (a) A permit granted under this chapter may not be
 2267 transferred or assigned except upon written approval by the
 2268 bureau ~~division~~ pursuant to s. 550.1815, except that the holder
 2269 of any permit that has been converted to a jai alai permit may
 2270 lease or build anywhere within the county in which its permit is
 2271 located.

2272 (b) If a permit to conduct pari-mutuel wagering is held by
 2273 a corporation or business entity other than an individual, the
 2274 transfer of 10 percent or more of the stock or other evidence of
 2275 ownership or equity in the permitholder may not be made without
 2276 the prior approval of the transferee by the bureau ~~division~~
 2277 pursuant to s. 550.1815.

2278 (12) Changes in ownership or interest of a pari-mutuel
 2279 permit of 5 percent or more of the stock or other evidence of
 2280 ownership or equity in the permitholder shall be approved by the
 2281 bureau ~~division~~ prior to such change, unless the owner is an
 2282 existing owner of that permit who was previously approved by the
 2283 bureau ~~division~~. Changes in ownership or interest of a pari-
 2284 mutuel permit of less than 5 percent shall be reported to the
 2285 bureau ~~division~~ within 20 days of the change. The bureau
 2286 ~~division~~ may then conduct an investigation to ensure that the
 2287 permit is properly updated to show the change in ownership or
 2288 interest.

2289 (13)(a) Notwithstanding any provisions of this chapter, a
 2290 ~~ne~~ thoroughbred horse racing permit or license issued under this
 2291 chapter may not ~~shall~~ be transferred, or reissued when such
 2292 reissuance is in the nature of a transfer so as to permit or
 2293 authorize a licensee to change the location of a thoroughbred
 2294 horse racetrack except upon proof in such form as the bureau
 2295 ~~division~~ may prescribe that a referendum election has been held:

2296 1. If the proposed new location is within the same county
 2297 as the already licensed location, in the county where the
 2298 licensee desires to conduct the race meeting and that a majority

2299 of the electors voting on that question in such election voted
 2300 in favor of the transfer of such license.

2301 2. If the proposed new location is not within the same
 2302 county as the already licensed location, in the county where the
 2303 licensee desires to conduct the race meeting and in the county
 2304 where the licensee is already licensed to conduct the race
 2305 meeting and that a majority of the electors voting on that
 2306 question in each such election voted in favor of the transfer of
 2307 such license.

2308 (b) Each referendum held under the provisions of this
 2309 subsection shall be held in accordance with the electoral
 2310 procedures for ratification of permits, as provided in s.
 2311 550.0651. The expense of each such referendum shall be borne by
 2312 the licensee requesting the transfer.

2313 Section 43. Subsections (1), (3), and (5) of section
 2314 550.0651, Florida Statutes, are amended to read:

2315 550.0651 Elections for ratification of permits.--

2316 (1) The holder of any permit may have submitted to the
 2317 electors of the county designated therein the question whether
 2318 or not such permit will be ratified or rejected. Such questions
 2319 shall be submitted to the electors for approval or rejection at
 2320 a special election to be called for that purpose only. The board
 2321 of county commissioners of the county designated, upon the
 2322 presentation to such board at a regular or special meeting of a
 2323 written application, accompanied by a certified copy of the
 2324 permit granted by the bureau ~~division~~, and asking for an
 2325 election in the county in which the application was made, shall
 2326 order a special election in the county for the particular

2327 | purpose of deciding whether such permit shall be approved and
 2328 | license issued and race meetings permitted in such county by
 2329 | such permittee and shall cause the clerk of such board to give
 2330 | notice of the special election by publishing the same once each
 2331 | week for 2 consecutive weeks in one or more newspapers of
 2332 | general circulation in the county. Each permit covering each
 2333 | track must be voted upon separately and in separate elections,
 2334 | and an election may not be called more often than once every 2
 2335 | years for the ratification of any permit covering the same
 2336 | track.

2337 | (3) When a permit has been granted by the bureau ~~division~~
 2338 | and no application to the board of county commissioners has been
 2339 | made by the permittee within 6 months after the granting of the
 2340 | permit, the permit becomes void. The bureau ~~division~~ shall
 2341 | cancel the permit without notice to the permitholder, and the
 2342 | board of county commissioners holding the deposit for the
 2343 | election shall refund the deposit to the permitholder upon being
 2344 | notified by the bureau ~~division~~ that the permit has become void
 2345 | and has been canceled.

2346 | (5) If at any such special election the majority of the
 2347 | electors voting on the question of ratification or rejection of
 2348 | any permit vote against such ratification, such permit is void.
 2349 | If a majority of the electors voting on the question of
 2350 | ratification or rejection of any permit vote for such
 2351 | ratification, such permit becomes effectual and the holder
 2352 | thereof may conduct racing upon complying with the other
 2353 | provisions of this chapter. The board of county commissioners

HB 1385

2008

2354 shall immediately certify the results of the election to the
 2355 bureau ~~division~~.

2356 Section 44. Subsections (1) and (4) of section 550.0745,
 2357 Florida Statutes, are amended to read:

2358 550.0745 Conversion of pari-mutuel permit to summer jai
 2359 alai permit.--

2360 (1) The owner or operator of a pari-mutuel permit who is
 2361 authorized by the bureau ~~division~~ to conduct pari-mutuel pools
 2362 on exhibition sports in any county having five or more such
 2363 pari-mutuel permits and whose mutuel play from the operation of
 2364 such pari-mutuel pools for the 2 consecutive years next prior to
 2365 filing an application under this section has had the smallest
 2366 play or total pool within the county may apply to the bureau
 2367 ~~division~~ to convert its permit to a permit to conduct a summer
 2368 jai alai fronton in such county during the summer season
 2369 commencing on May 1 and ending on November 30 of each year on
 2370 such dates as may be selected by such permittee for the same
 2371 number of days and performances as are allowed and granted to
 2372 winter jai alai frontons within such county. If a permittee who
 2373 is eligible under this section to convert a permit declines to
 2374 convert, a new permit is hereby made available in that
 2375 permittee's county to conduct summer jai alai games as provided
 2376 by this section, notwithstanding mileage and permit ratification
 2377 requirements. If a permittee converts a quarter horse permit
 2378 pursuant to this section, nothing in this section prohibits the
 2379 permittee from obtaining another quarter horse permit. Such
 2380 permittee shall pay the same taxes as are fixed and required to
 2381 be paid from the pari-mutuel pools of winter jai alai permittees

HB 1385

2008

2382 and is bound by all of the rules and provisions of this chapter
 2383 which apply to the operation of winter jai alai frontons. Such
 2384 permittee shall only be permitted to operate a jai alai fronton
 2385 after its application has been submitted to the bureau ~~division~~
 2386 and its license has been issued pursuant to the application. The
 2387 license is renewable from year to year as provided by law.

2388 (4) The provisions of this chapter which prohibit the
 2389 location and operation of jai alai frontons within a specified
 2390 distance from the location of another jai alai fronton or other
 2391 permittee and which prohibit the bureau ~~division~~ from granting
 2392 any permit at a location within a certain designated area do not
 2393 apply to the provisions of this section and do not prevent the
 2394 issuance of a license under this section.

2395 Section 45. Subsections (1) and (2), paragraph (c) of
 2396 subsection (3), and subsections (5) and (6) of section 550.0951,
 2397 Florida Statutes, are amended to read:

2398 550.0951 Payment of daily license fee and taxes;
 2399 penalties.--

2400 (1)(a) DAILY LICENSE FEE.--Each person engaged in the
 2401 business of conducting race meetings or jai alai games under
 2402 this chapter, hereinafter referred to as the "permitholder,"
 2403 "licensee," or "permittee," shall pay to the bureau ~~division~~,
 2404 for the use of the bureau ~~division~~, a daily license fee on each
 2405 live or simulcast pari-mutuel event of \$100 for each horserace
 2406 and \$80 for each dograce and \$40 for each jai alai game
 2407 conducted at a racetrack or fronton licensed under this chapter.
 2408 In addition to the tax exemption specified in s. 550.09514(1) of
 2409 \$360,000 or \$500,000 per greyhound permitholder per state fiscal

2410 year, each greyhound permitholder shall receive in the current
 2411 state fiscal year a tax credit equal to the number of live
 2412 greyhound races conducted in the previous state fiscal year
 2413 times the daily license fee specified for each dograce in this
 2414 subsection applicable for the previous state fiscal year. This
 2415 tax credit and the exemption in s. 550.09514(1) shall be
 2416 applicable to any tax imposed by this chapter or the daily
 2417 license fees imposed by this chapter except during any charity
 2418 or scholarship performances conducted pursuant to s. 550.0351.
 2419 Each permitholder shall pay daily license fees not to exceed
 2420 \$500 per day on any simulcast races or games on which such
 2421 permitholder accepts wagers regardless of the number of out-of-
 2422 state events taken or the number of out-of-state locations from
 2423 which such events are taken. This license fee shall be deposited
 2424 with the Chief Financial Officer to the credit of the Pari-
 2425 mutuel Wagering Trust Fund.

2426 (b) Each permitholder that cannot utilize the full amount
 2427 of the exemption of \$360,000 or \$500,000 provided in s.
 2428 550.09514(1) or the daily license fee credit provided in this
 2429 section may, after notifying the bureau ~~division~~ in writing,
 2430 elect once per state fiscal year on a form provided by the
 2431 bureau ~~division~~ to transfer such exemption or credit or any
 2432 portion thereof to any greyhound permitholder which acts as a
 2433 host track to such permitholder for the purpose of intertrack
 2434 wagering. Once an election to transfer such exemption or credit
 2435 is filed with the bureau ~~division~~, it shall not be rescinded.
 2436 The bureau ~~division~~ shall disapprove the transfer when the
 2437 amount of the exemption or credit or portion thereof is

2438 unavailable to the transferring permitholder or when the
 2439 permitholder who is entitled to transfer the exemption or credit
 2440 or who is entitled to receive the exemption or credit owes taxes
 2441 to the state pursuant to a deficiency letter or administrative
 2442 complaint issued by the bureau ~~division~~. Upon approval of the
 2443 transfer by the bureau ~~division~~, the transferred tax exemption
 2444 or credit shall be effective for the first performance of the
 2445 next biweekly pay period as specified in subsection (5). The
 2446 exemption or credit transferred to such host track may be
 2447 applied by such host track against any taxes imposed by this
 2448 chapter or daily license fees imposed by this chapter. The
 2449 greyhound permitholder host track to which such exemption or
 2450 credit is transferred shall reimburse such permitholder the
 2451 exact monetary value of such transferred exemption or credit as
 2452 actually applied against the taxes and daily license fees of the
 2453 host track. The bureau ~~division~~ shall ensure that all transfers
 2454 of exemption or credit are made in accordance with this
 2455 subsection and shall have the authority to adopt rules to ensure
 2456 the implementation of this section.

2457 (2) ADMISSION TAX.--

2458 (a) An admission tax equal to 15 percent of the admission
 2459 charge for entrance to the permitholder's facility and
 2460 grandstand area, or 10 cents, whichever is greater, is imposed
 2461 on each person attending a horserace, dograce, or jai alai game.
 2462 The permitholder shall be responsible for collecting the
 2463 admission tax.

2464 (b) ~~No~~ Admission tax under this chapter or chapter 212 may
 2465 not shall be imposed on any free passes or complimentary cards

2466 issued to persons for which there is no cost to the person for
 2467 admission to pari-mutuel events.

2468 (c) A permitholder may issue tax-free passes to its
 2469 officers, officials, and employees or other persons actually
 2470 engaged in working at the racetrack, including accredited press
 2471 representatives such as reporters and editors, and may also
 2472 issue tax-free passes to other permitholders for the use of
 2473 their officers and officials. The permitholder shall file with
 2474 the bureau ~~division~~ a list of all persons to whom tax-free
 2475 passes are issued under this paragraph.

2476 (3) TAX ON HANDLE.--Each permitholder shall pay a tax on
 2477 contributions to pari-mutuel pools, the aggregate of which is
 2478 hereinafter referred to as "handle," on races or games conducted
 2479 by the permitholder. The tax is imposed daily and is based on
 2480 the total contributions to all pari-mutuel pools conducted
 2481 during the daily performance. If a permitholder conducts more
 2482 than one performance daily, the tax is imposed on each
 2483 performance separately.

2484 (c)1. The tax on handle for intertrack wagering is 2.0
 2485 percent of the handle if the host track is a horse track, 3.3
 2486 percent if the host track is a harness track, 5.5 percent if the
 2487 host track is a dog track, and 7.1 percent if the host track is
 2488 a jai alai fronton. The tax on handle for intertrack wagering is
 2489 0.5 percent if the host track and the guest track are
 2490 thoroughbred permitholders or if the guest track is located
 2491 outside the market area of the host track and within the market
 2492 area of a thoroughbred permitholder currently conducting a live
 2493 race meet. The tax on handle for intertrack wagering on

2494 rebroadcasts of simulcast thoroughbred horseraces is 2.4 percent
 2495 of the handle and 1.5 percent of the handle for intertrack
 2496 wagering on rebroadcasts of simulcast harness horseraces. The
 2497 tax shall be deposited into the Pari-mutuel Wagering Trust Fund.

2498 2. The tax on handle for intertrack wagers accepted by any
 2499 dog track located in an area of the state in which there are
 2500 only three permitholders, all of which are greyhound
 2501 permitholders, located in three contiguous counties, from any
 2502 greyhound permitholder also located within such area or any dog
 2503 track or jai alai fronton located as specified in s. 550.615(6)
 2504 or (9), on races or games received from the same class of
 2505 permitholder located within the same market area is 3.9 percent
 2506 if the host facility is a greyhound permitholder and, if the
 2507 host facility is a jai alai permitholder, the rate shall be 6.1
 2508 percent except that it shall be 2.3 percent on handle at such
 2509 time as the total tax on intertrack handle paid to the bureau
 2510 ~~division~~ by the permitholder during the current state fiscal
 2511 year exceeds the total tax on intertrack handle paid to the
 2512 bureau ~~division~~ by the permitholder during the 1992-1993 state
 2513 fiscal year.

2514 (5) PAYMENT AND DISPOSITION OF FEES AND TAXES.--Payment
 2515 for the admission tax, tax on handle, and the breaks tax imposed
 2516 by this section shall be paid to the bureau ~~division~~. The bureau
 2517 ~~division~~ shall deposit these sums with the Chief Financial
 2518 Officer, to the credit of the Pari-mutuel Wagering Trust Fund,
 2519 hereby established. The permitholder shall remit to the bureau
 2520 ~~division~~ payment for the daily license fee, the admission tax,
 2521 the tax on handle, and the breaks tax. Such payments shall be

2522 remitted by 3 p.m. Wednesday of each week for taxes imposed and
 2523 collected for the preceding week ending on Sunday. Permitholders
 2524 shall file a report under oath by the 5th day of each calendar
 2525 month for all taxes remitted during the preceding calendar
 2526 month. Such payments shall be accompanied by a report under oath
 2527 showing the total of all admissions, the pari-mutuel wagering
 2528 activities for the preceding calendar month, and such other
 2529 information as may be prescribed by the bureau ~~division~~.

2530 (6) PENALTIES.--

2531 (a) The failure of any permitholder to make payments as
 2532 prescribed in subsection (5) is a violation of this section, and
 2533 the permitholder may be subjected by the bureau ~~division~~ to a
 2534 civil penalty of up to \$1,000 for each day the tax payment is
 2535 not remitted. All penalties imposed and collected shall be
 2536 deposited in the General Revenue Fund. If a permitholder fails
 2537 to pay penalties imposed by order of the bureau ~~division~~ under
 2538 this subsection, the bureau ~~division~~ may suspend or revoke the
 2539 license of the permitholder, cancel the permit of the
 2540 permitholder, or deny issuance of any further license or permit
 2541 to the permitholder.

2542 (b) In addition to the civil penalty prescribed in
 2543 paragraph (a), any willful or wanton failure by any permitholder
 2544 to make payments of the daily license fee, admission tax, tax on
 2545 handle, or breaks tax constitutes sufficient grounds for the
 2546 bureau ~~division~~ to suspend or revoke the license of the
 2547 permitholder, to cancel the permit of the permitholder, or to
 2548 deny issuance of any further license or permit to the
 2549 permitholder.

2550 Section 46. Subsections (2) and (3) of section 550.09511,
 2551 Florida Statutes, are amended to read:

2552 550.09511 Jai alai taxes; abandoned interest in a permit
 2553 for nonpayment of taxes.--

2554 (2) Notwithstanding the provisions of s. 550.0951(3)(b),
 2555 wagering on live jai alai performances shall be subject to the
 2556 following taxes:

2557 (a)1. The tax on handle per performance for live jai alai
 2558 performances is 4.25 percent of handle per performance. However,
 2559 when the live handle of a permitholder during the preceding
 2560 state fiscal year was less than \$15 million, the tax shall be
 2561 paid on the handle in excess of \$30,000 per performance per day.

2562 2. The tax rate shall be applicable only until the
 2563 requirements of paragraph (b) are met.

2564 (b) At such time as the total of admissions tax, daily
 2565 license fee, and tax on handle for live jai alai performances
 2566 paid to the bureau ~~division~~ by a permitholder during the current
 2567 state fiscal year exceeds the total state tax revenues from
 2568 wagering on live jai alai performances paid or due by the
 2569 permitholder in fiscal year 1991-1992, the permitholder shall
 2570 pay tax on handle for live jai alai performances at a rate of
 2571 2.55 percent of the handle per performance for the remainder of
 2572 the current state fiscal year. For purposes of this section,
 2573 total state tax revenues on live jai alai wagering in fiscal
 2574 year 1991-1992 shall include any admissions tax, tax on handle,
 2575 surtaxes on handle, and daily license fees.

2576 (c) If ~~no~~ tax on handle for live jai alai performances was
 2577 not ~~were~~ paid to the bureau ~~division~~ by a jai alai permitholder

2578 during the 1991-1992 state fiscal year, then at such time as the
 2579 total of admissions tax, daily license fee, and tax on handle
 2580 for live jai alai performances paid to the bureau ~~division~~ by a
 2581 permitholder during the current state fiscal year exceeds the
 2582 total state tax revenues from wagering on live jai alai
 2583 performances paid or due by the permitholder in the last state
 2584 fiscal year in which the permitholder conducted a full schedule
 2585 of live games, the permitholder shall pay tax on handle for live
 2586 jai alai performances at a rate of 3.3 percent of the handle per
 2587 performance for the remainder of the current state fiscal year.
 2588 For purposes of this section, total state tax revenues on live
 2589 jai alai wagering shall include any admissions tax, tax on
 2590 handle, surtaxes on handle, and daily license fees. This
 2591 paragraph shall take effect July 1, 1993.

2592 (d) A permitholder who obtains a new permit issued by the
 2593 bureau ~~division~~ subsequent to the 1991-1992 state fiscal year
 2594 and a permitholder whose permit has been converted to a jai alai
 2595 permit under the provisions of this chapter, shall, at such time
 2596 as the total of admissions tax, daily license fee, and tax on
 2597 handle for live jai alai performances paid to the bureau
 2598 ~~division~~ by the permitholder during the current state fiscal
 2599 year exceeds the average total state tax revenues from wagering
 2600 on live jai alai performances for the first 3 consecutive jai
 2601 alai seasons paid to or due the bureau ~~division~~ by the
 2602 permitholder and during which the permitholder conducted a full
 2603 schedule of live games, pay tax on handle for live jai alai
 2604 performances at a rate of 3.3 percent of the handle per
 2605 performance for the remainder of the current state fiscal year.

2606 (e) The payment of taxes pursuant to paragraphs (b), (c),
 2607 and (d) shall be calculated and commence beginning the day after
 2608 the biweekly period in which the permitholder is first entitled
 2609 to the reduced rate specified in this section and the report of
 2610 taxes required by s. 550.0951(5) is submitted to the bureau
 2611 ~~division~~.

2612 (f) A jai alai permitholder paying taxes under this
 2613 section shall retain the breaks and pay an amount equal to the
 2614 breaks as special prize awards which shall be in addition to the
 2615 regular contracted prize money paid to jai alai players at the
 2616 permitholder's facility. Payment of the special prize money
 2617 shall be made during the permitholder's current meet.

2618 (g) For purposes of this section, "handle" has ~~shall have~~
 2619 the same meaning as in s. 550.0951, and does ~~shall~~ not include
 2620 handle from intertrack wagering.

2621 (3) (a) Notwithstanding the provisions of subsection (2)
 2622 and s. 550.0951(3)(c)1., any jai alai permitholder which is
 2623 restricted under Florida law from operating live performances on
 2624 a year-round basis is entitled to conduct wagering on live
 2625 performances at a tax rate of 3.85 percent of live handle. Such
 2626 permitholder is also entitled to conduct intertrack wagering as
 2627 a host permitholder on live jai alai games at its fronton at a
 2628 tax rate of 3.3 percent of handle at such time as the total tax
 2629 on intertrack handle paid to the bureau ~~division~~ by the
 2630 permitholder during the current state fiscal year exceeds the
 2631 total tax on intertrack handle paid to the bureau ~~division~~ by
 2632 the permitholder during the 1992-1993 state fiscal year.

2633 (b) The payment of taxes pursuant to paragraph (a) shall
 2634 be calculated and commence beginning the day after the biweekly
 2635 period in which the permitholder is first entitled to the
 2636 reduced rate specified in this subsection.

2637 Section 47. Paragraph (b) of subsection (3) of section
 2638 550.09512, Florida Statutes, is amended to read:

2639 550.09512 Harness horse taxes; abandoned interest in a
 2640 permit for nonpayment of taxes.--

2641 (3)

2642 (b) In order to maximize the tax revenues to the state,
 2643 the bureau ~~division~~ shall reissue an escheated harness horse
 2644 permit to a qualified applicant pursuant to the provisions of
 2645 this chapter as for the issuance of an initial permit. However,
 2646 the provisions of this chapter relating to referendum
 2647 requirements for a pari-mutuel permit do ~~shall~~ not apply to the
 2648 reissuance of an escheated harness horse permit. As specified in
 2649 the application and upon approval by the bureau ~~division~~ of an
 2650 application for the permit, the new permitholder shall be
 2651 authorized to operate a harness horse facility anywhere in the
 2652 same county in which the escheated permit was authorized to be
 2653 operated, notwithstanding the provisions of s. 550.054(2)
 2654 relating to mileage limitations.

2655 Section 48. Subsection (2) of section 550.09514, Florida
 2656 Statutes, is amended to read:

2657 550.09514 Greyhound dogracing taxes; purse requirements.--

2658 (2) (a) The bureau ~~division~~ shall determine for each
 2659 greyhound permitholder the annual purse percentage rate of live
 2660 handle for the state fiscal year 1993-1994 by dividing total

2661 purses paid on live handle by the permitholder, exclusive of
 2662 payments made from outside sources, during the 1993-1994 state
 2663 fiscal year by the permitholder's live handle for the 1993-1994
 2664 state fiscal year. Each permitholder shall pay as purses for
 2665 live races conducted during its current race meet a percentage
 2666 of its live handle not less than the percentage determined under
 2667 this paragraph, exclusive of payments made by outside sources,
 2668 for its 1993-1994 state fiscal year.

2669 (b) Except as otherwise set forth herein, in addition to
 2670 the minimum purse percentage required by paragraph (a), each
 2671 permitholder shall pay as purses an annual amount equal to 75
 2672 percent of the daily license fees paid by each permitholder for
 2673 the 1994-1995 fiscal year. This purse supplement shall be
 2674 disbursed weekly during the permitholder's race meet in an
 2675 amount determined by dividing the annual purse supplement by the
 2676 number of performances approved for the permitholder pursuant to
 2677 its annual license and multiplying that amount by the number of
 2678 performances conducted each week. For the greyhound
 2679 permitholders in the county where there are two greyhound
 2680 permitholders located as specified in s. 550.615(6), such
 2681 permitholders shall pay in the aggregate an amount equal to 75
 2682 percent of the daily license fees paid by such permitholders for
 2683 the 1994-1995 fiscal year. These permitholders shall be jointly
 2684 and severally liable for such purse payments. The additional
 2685 purses provided by this paragraph must be used exclusively for
 2686 purses other than stakes. The bureau ~~division~~ shall conduct
 2687 audits necessary to ensure compliance with this section.

2688 (c)1. Each greyhound permitholder when conducting at least
 2689 three live performances during any week shall pay purses in that
 2690 week on wagers it accepts as a guest track on intertrack and
 2691 simulcast greyhound races at the same rate as it pays on live
 2692 races. Each greyhound permitholder when conducting at least
 2693 three live performances during any week shall pay purses in that
 2694 week, at the same rate as it pays on live races, on wagers
 2695 accepted on greyhound races at a guest track which is not
 2696 conducting live racing and is located within the same market
 2697 area as the greyhound permitholder conducting at least three
 2698 live performances during any week.

2699 2. Each host greyhound permitholder shall pay purses on
 2700 its simulcast and intertrack broadcasts of greyhound races to
 2701 guest facilities that are located outside its market area in an
 2702 amount equal to one quarter of an amount determined by
 2703 subtracting the transmission costs of sending the simulcast or
 2704 intertrack broadcasts from an amount determined by adding the
 2705 fees received for greyhound simulcast races plus 3 percent of
 2706 the greyhound intertrack handle at guest facilities that are
 2707 located outside the market area of the host and that paid
 2708 contractual fees to the host for such broadcasts of greyhound
 2709 races.

2710 (d) The bureau ~~division~~ shall require sufficient
 2711 documentation from each greyhound permitholder regarding purses
 2712 paid on live racing to assure that the annual purse percentage
 2713 rates paid by each permitholder on the live races are not
 2714 reduced below those paid during the 1993-1994 state fiscal year.
 2715 The bureau ~~division~~ shall require sufficient documentation from

HB 1385

2008

2716 each greyhound permitholder to assure that the purses paid by
2717 each permitholder on the greyhound intertrack and simulcast
2718 broadcasts are in compliance with the requirements of paragraph
2719 (c).

2720 (e) In addition to the purse requirements of paragraphs
2721 (a)-(c), each greyhound permitholder shall pay as purses an
2722 amount equal to one-third of the amount of the tax reduction on
2723 live and simulcast handle applicable to such permitholder as a
2724 result of the reductions in tax rates provided by this act
2725 through the amendments to s. 550.0951(3). With respect to
2726 intertrack wagering when the host and guest tracks are greyhound
2727 permitholders not within the same market area, an amount equal
2728 to the tax reduction applicable to the guest track handle as a
2729 result of the reduction in tax rate provided by this act through
2730 the amendment to s. 550.0951(3) shall be distributed to the
2731 guest track, one-third of which amount shall be paid as purses
2732 at the guest track. However, if the guest track is a greyhound
2733 permitholder within the market area of the host or if the guest
2734 track is not a greyhound permitholder, an amount equal to such
2735 tax reduction applicable to the guest track handle shall be
2736 retained by the host track, one-third of which amount shall be
2737 paid as purses at the host track. These purse funds shall be
2738 disbursed in the week received if the permitholder conducts at
2739 least one live performance during that week. If the permitholder
2740 does not conduct at least one live performance during the week
2741 in which the purse funds are received, the purse funds shall be
2742 disbursed weekly during the permitholder's next race meet in an
2743 amount determined by dividing the purse amount by the number of

HB 1385

2008

2744 performances approved for the permitholder pursuant to its
2745 annual license, and multiplying that amount by the number of
2746 performances conducted each week. The bureau ~~division~~ shall
2747 conduct audits necessary to ensure compliance with this
2748 paragraph.

2749 (f) Each greyhound permitholder shall, during the
2750 permitholder's race meet, supply kennel operators and the Bureau
2751 ~~Division~~ of Pari-Mutuel Wagering with a weekly report showing
2752 purses paid on live greyhound races and all greyhound intertrack
2753 and simulcast broadcasts, including both as a guest and a host
2754 together with the handle or commission calculations on which
2755 such purses were paid and the transmission costs of sending the
2756 simulcast or intertrack broadcasts, so that the kennel operators
2757 may determine statutory and contractual compliance.

2758 (g) Each greyhound permitholder shall make direct payment
2759 of purses to the greyhound owners who have filed with such
2760 permitholder appropriate federal taxpayer identification
2761 information based on the percentage amount agreed upon between
2762 the kennel operator and the greyhound owner.

2763 (h) At the request of a majority of kennel operators under
2764 contract with a greyhound permitholder, the permitholder shall
2765 make deductions from purses paid to each kennel operator
2766 electing such deduction and shall make a direct payment of such
2767 deductions to the local association of greyhound kennel
2768 operators formed by a majority of kennel operators under
2769 contract with the permitholder. The amount of the deduction
2770 shall be at least 1 percent of purses, as determined by the
2771 local association of greyhound kennel operators. No deductions

2772 may be taken pursuant to this paragraph without a kennel
 2773 operator's specific approval before or after the effective date
 2774 of this act.

2775 Section 49. Paragraph (b) of subsection (3) of section
 2776 550.09515, Florida Statutes, is amended to read:

2777 550.09515 Thoroughbred horse taxes; abandoned interest in
 2778 a permit for nonpayment of taxes.--

2779 (3)

2780 (b) In order to maximize the tax revenues to the state,
 2781 the bureau ~~division~~ shall reissue an escheated thoroughbred
 2782 horse permit to a qualified applicant pursuant to the provisions
 2783 of this chapter as for the issuance of an initial permit.
 2784 However, the provisions of this chapter relating to referendum
 2785 requirements for a pari-mutuel permit do ~~shall~~ not apply to the
 2786 reissuance of an escheated thoroughbred horse permit. As
 2787 specified in the application and upon approval by the bureau
 2788 ~~division~~ of an application for the permit, the new permitholder
 2789 shall be authorized to operate a thoroughbred horse facility
 2790 anywhere in the same county in which the escheated permit was
 2791 authorized to be operated, notwithstanding the provisions of s.
 2792 550.054(2) relating to mileage limitations.

2793 Section 50. Subsection (1), paragraph (b) of subsection
 2794 (2), and subsections (5), (6), (7), (8), and (10) of section
 2795 550.105, Florida Statutes, are amended to read:

2796 550.105 Occupational licenses of racetrack employees;
 2797 fees; denial, suspension, and revocation of license; penalties
 2798 and fines.--

2799 (1) Each person connected with a racetrack or jai alai
 2800 fronton, as specified in paragraph (2)(a), shall purchase from
 2801 the bureau ~~division~~ an annual occupational license, which
 2802 license is valid from May 1 until June 30 of the following year.
 2803 All moneys collected pursuant to this section each fiscal year
 2804 shall be deposited into the Pari-mutuel Wagering Trust Fund. Any
 2805 person may, at her or his option and pursuant to the rules
 2806 adopted by the bureau ~~division~~, purchase an occupational license
 2807 valid for a period of 3 years if the purchaser of the license
 2808 pays the full occupational license fee for each of the years for
 2809 which the license is purchased at the time the 3-year license is
 2810 requested. The occupational license shall be valid during its
 2811 specified term at any pari-mutuel facility.

2812 (2)

2813 (b) The bureau ~~division~~ shall adopt rules pertaining to
 2814 pari-mutuel occupational licenses.

2815 (5)(a) The bureau ~~division~~ may:

2816 1. Deny a license to or revoke, suspend, or place
 2817 conditions upon or restrictions on a license of any person who
 2818 has been refused a license by any other state racing commission
 2819 or racing authority;

2820 2. Deny, suspend, or place conditions on a license of any
 2821 person who is under suspension or has unpaid fines in another
 2822 jurisdiction;

2823
 2824 if the state racing commission or racing authority of such other
 2825 state or jurisdiction extends to the bureau ~~division~~ reciprocal
 2826 courtesy to maintain the disciplinary control.

HB 1385

2008

2827 (b) The bureau ~~division~~ may deny, suspend, revoke, or
2828 declare ineligible any occupational license if the applicant for
2829 or holder thereof has violated the provisions of this chapter or
2830 the rules of the bureau ~~division~~ governing the conduct of
2831 persons connected with racetracks and frontons. In addition, the
2832 bureau ~~division~~ may deny, suspend, revoke, or declare ineligible
2833 any occupational license if the applicant for such license has
2834 been convicted in this state, in any other state, or under the
2835 laws of the United States of a capital felony, a felony, or an
2836 offense in any other state which would be a felony under the
2837 laws of this state involving arson; trafficking in, conspiracy
2838 to traffic in, smuggling, importing, conspiracy to smuggle or
2839 import, or delivery, sale, or distribution of a controlled
2840 substance; or a crime involving a lack of good moral character,
2841 or has had a pari-mutuel license revoked by this state or any
2842 other jurisdiction for an offense related to pari-mutuel
2843 wagering.

2844 (c) The bureau ~~division~~ may deny, declare ineligible, or
2845 revoke any occupational license if the applicant for such
2846 license has been convicted of a felony or misdemeanor in this
2847 state, in any other state, or under the laws of the United
2848 States, if such felony or misdemeanor is related to gambling or
2849 bookmaking, as contemplated in s. 849.25, or involves cruelty to
2850 animals. If the applicant establishes that she or he is of good
2851 moral character, that she or he has been rehabilitated, and that
2852 the crime she or he was convicted of is not related to pari-
2853 mutuel wagering and is not a capital offense, the restrictions

2854 excluding offenders may be waived by the director of the bureau
 2855 ~~division~~.

2856 (d) If an occupational license will expire by bureau
 2857 ~~division~~ rule during the period of a suspension the bureau
 2858 ~~division~~ intends to impose, or if a license would have expired
 2859 but for pending administrative charges and the occupational
 2860 licensee is found to be in violation of any of the charges, the
 2861 license may be revoked and a time period of license
 2862 ineligibility may be declared. The bureau ~~division~~ may bring
 2863 administrative charges against any person not holding a current
 2864 license for violations of statutes or rules which occurred while
 2865 such person held an occupational license, and the bureau
 2866 ~~division~~ may declare such person ineligible to hold a license
 2867 for a period of time. The bureau ~~division~~ may impose a civil
 2868 fine of up to \$1,000 for each violation of the rules of the
 2869 bureau ~~division~~ in addition to or in lieu of any other penalty
 2870 provided for in this section. In addition to any other penalty
 2871 provided by law, the bureau ~~division~~ may exclude from all pari-
 2872 mutuel facilities in this state, for a period not to exceed the
 2873 period of suspension, revocation, or ineligibility, any person
 2874 whose occupational license application has been denied by the
 2875 bureau ~~division~~, who has been declared ineligible to hold an
 2876 occupational license, or whose occupational license has been
 2877 suspended or revoked by the bureau ~~division~~.

2878 (e) The bureau ~~division~~ may cancel any occupational
 2879 license that has been voluntarily relinquished by the licensee.

2880 (6) In order to promote the orderly presentation of pari-
 2881 mutuel meets authorized in this chapter, the bureau ~~division~~ may

2882 issue a temporary occupational license. The bureau ~~division~~
2883 shall adopt rules to implement this subsection. However, no
2884 temporary occupational license shall be valid for more than 30
2885 days, and no more than one temporary license may be issued for
2886 any person in any year.

2887 (7) The bureau ~~division~~ may deny, revoke, or suspend any
2888 occupational license if the applicant therefor or holder thereof
2889 accumulates unpaid obligations or defaults in obligations, or
2890 issues drafts or checks that are dishonored or for which payment
2891 is refused without reasonable cause, if such unpaid obligations,
2892 defaults, or dishonored or refused drafts or checks directly
2893 relate to the sport of jai alai or racing being conducted at a
2894 pari-mutuel facility within this state.

2895 (8) The bureau ~~division~~ may fine, or suspend or revoke, or
2896 place conditions upon, the license of any licensee who under
2897 oath knowingly provides false information regarding an
2898 investigation by the bureau ~~division~~.

2899 (10) Upon application for an occupational license, the
2900 bureau ~~division~~ may require the applicant's full legal name; any
2901 nickname, alias, or maiden name for the applicant; name of the
2902 applicant's spouse; the applicant's date of birth, residence
2903 address, mailing address, residence address and business phone
2904 number, and social security number; disclosure of any felony or
2905 any conviction involving bookmaking, illegal gambling, or
2906 cruelty to animals; disclosure of any past or present
2907 enforcement or actions by any racing or gaming agency against
2908 the applicant; and any information the bureau ~~division~~
2909 determines is necessary to establish the identity of the

HB 1385

2008

2910 applicant or to establish that the applicant is of good moral
2911 character. Fingerprints shall be taken in a manner approved by
2912 the bureau ~~division~~ and then shall be submitted to the Federal
2913 Bureau of Investigation, or to the association of state
2914 officials regulating pari-mutuel wagering pursuant to the
2915 Federal Pari-mutuel Licensing Simplification Act of 1988. The
2916 cost of processing fingerprints shall be borne by the applicant
2917 and paid to the association of state officials regulating pari-
2918 mutuel wagering from the trust fund to which the processing fees
2919 are deposited. The bureau ~~division~~ shall require each applicant
2920 for an occupational license to have the applicant's signature
2921 witnessed and notarized or signed in the presence of a division
2922 official. The bureau ~~division~~, by rule, may require additional
2923 information from licensees which is reasonably necessary to
2924 regulate the industry. The bureau ~~division~~ may, by rule, exempt
2925 certain occupations or groups of persons from the fingerprinting
2926 requirements.

2927 Section 51. Subsection (1) of section 550.1155, Florida
2928 Statutes, is amended to read:

2929 550.1155 Authority of stewards, judges, panel of judges,
2930 or player's manager to impose penalties against occupational
2931 licensees; disposition of funds collected.--

2932 (1) The stewards at a horse racetrack; the judges at a dog
2933 track; or the judges, a panel of judges, or a player's manager
2934 at a jai alai fronton may impose a civil penalty against any
2935 occupational licensee for violation of the pari-mutuel laws or
2936 any rule adopted by the bureau ~~division~~. The penalty may not

2937 exceed \$1,000 for each count or separate offense or exceed 60
 2938 days of suspension for each count or separate offense.

2939 Section 52. Subsections (2) and (3) of section 550.125,
 2940 Florida Statutes, are amended to read:

2941 550.125 Uniform reporting system; bond requirement.--

2942 (2) (a) Each permitholder that conducts race meetings or
 2943 jai alai exhibitions under this chapter shall keep records that
 2944 clearly show the total number of admissions and the total amount
 2945 of money contributed to each pari-mutuel pool on each race or
 2946 exhibition separately and the amount of money received daily
 2947 from admission fees and, within 120 days after the end of its
 2948 fiscal year, shall submit to the bureau ~~division~~ a complete
 2949 annual report of its accounts, audited by a certified public
 2950 accountant licensed to practice in the state.

2951 (b) The bureau ~~division~~ shall adopt rules specifying the
 2952 form and content of such reports, including, but not limited to,
 2953 requirements for a statement of assets and liabilities,
 2954 operating revenues and expenses, and net worth, which statement
 2955 must be audited by a certified public accountant licensed to
 2956 practice in this state, and any supporting informational
 2957 schedule found necessary by the bureau ~~division~~ to verify the
 2958 foregoing financial statement, which informational schedule must
 2959 be attested to under oath by the permitholder or an officer of
 2960 record, to permit the bureau ~~division~~ to:

- 2961 1. Assess the profitability and financial soundness of
- 2962 permitholders, both individually and as an industry;
- 2963 2. Plan and recommend measures necessary to preserve and
- 2964 protect the pari-mutuel revenues of the state; and

2965 3. Completely identify the holdings, transactions, and
 2966 investments of permitholders with other business entities.

2967 (c) The Auditor General and the Office of Program Policy
 2968 Analysis and Government Accountability may, pursuant to their
 2969 own authority or at the direction of the Legislative Auditing
 2970 Committee, audit, examine, and check the books and records of
 2971 any permitholder. These audit reports shall become part of, and
 2972 be maintained in, the bureau ~~division~~ files.

2973 (d) The bureau ~~division~~ shall annually review the books
 2974 and records of each permitholder and verify that the breaks and
 2975 unclaimed ticket payments made by each permitholder are true and
 2976 correct.

2977 (3) (a) Each permitholder to which a license is granted
 2978 under this chapter, at its own cost and expense, must, before
 2979 the license is delivered, give a bond in the penal sum of
 2980 \$50,000 payable to the Governor of the state and her or his
 2981 successors in office, with a surety or sureties to be approved
 2982 by the bureau ~~division~~ and the Chief Financial Officer,
 2983 conditioned to faithfully make the payments to the Chief
 2984 Financial Officer in her or his capacity as treasurer of the
 2985 bureau ~~division~~; to keep its books and records and make reports
 2986 as provided; and to conduct its racing in conformity with this
 2987 chapter. When the greatest amount of tax owed during any month
 2988 in the prior state fiscal year, in which a full schedule of live
 2989 racing was conducted, is less than \$50,000, the bureau ~~division~~
 2990 may assess a bond in a sum less than \$50,000. The bureau
 2991 ~~division~~ may review the bond for adequacy and require
 2992 adjustments each fiscal year. The bureau ~~may~~ ~~division~~ ~~has~~ ~~the~~

2993 ~~authority to~~ adopt rules to implement this paragraph and
 2994 establish guidelines for such bonds.

2995 (b) The provisions of this chapter concerning bonding do
 2996 not apply to nonwagering licenses issued pursuant to s. 550.505.

2997 Section 53. Subsections (1) and (3) of section 550.135,
 2998 Florida Statutes, are amended to read:

2999 550.135 Division of moneys derived under this law.--All
 3000 moneys that are deposited with the Chief Financial Officer to
 3001 the credit of the Pari-mutuel Wagering Trust Fund shall be
 3002 distributed as follows:

3003 (1) The daily license fee revenues collected pursuant to
 3004 s. 550.0951(1) shall be used to fund the operating cost of the
 3005 bureau ~~division~~ and to provide a proportionate share of the
 3006 operation of the commission, the office of the bureau chief, the
 3007 office of the division director, ~~secretary~~ and the Division of
 3008 Gambling Oversight Administration ~~of the Department of Business~~
 3009 ~~and Professional Regulation~~; however, other collections in the
 3010 Pari-mutuel Wagering Trust Fund may also be used to fund the
 3011 operation of the division in accordance with authorized
 3012 appropriations.

3013 (3) The slot machine license fee, the slot machine
 3014 occupational license fee, and the compulsive or addictive
 3015 gambling prevention program fee collected pursuant to ss.
 3016 551.106, 551.107(2)(a)1., and 551.118 shall be used to fund the
 3017 direct and indirect operating expenses of the Bureau of Slot
 3018 Machines and the Bureau of Compulsive Gambling ~~division's slot~~
 3019 ~~machine regulation operations~~ and to provide funding for
 3020 relevant enforcement activities in accordance with authorized

3021 appropriations. Funds deposited into the Pari-mutuel Wagering
 3022 Trust Fund pursuant to ss. 551.106, 551.107(2)(a)1., and 551.118
 3023 shall be reserved in the trust fund for slot machine regulation
 3024 operations within the Bureau of Slot Machines. On June 30, any
 3025 unappropriated funds in excess of those necessary for incurred
 3026 obligations and subsequent year cash flow for slot machine
 3027 regulation operations shall be deposited with the Chief
 3028 Financial Officer to the credit of the General Revenue Fund.

3029 Section 54. Subsection (1) of section 550.155, Florida
 3030 Statutes, is amended to read:

3031 550.155 Pari-mutuel pool within track enclosure; takeouts;
 3032 breaks; penalty for purchasing part of a pari-mutuel pool for or
 3033 through another in specified circumstances.--

3034 (1) Wagering on the results of a horserace, dograce, or on
 3035 the scores or points of a jai alai game and the sale of tickets
 3036 or other evidences showing an interest in or a contribution to a
 3037 pari-mutuel pool are allowed within the enclosure of any pari-
 3038 mutuel facility licensed and conducted under this chapter but
 3039 are not allowed elsewhere in this state, must be supervised by
 3040 the bureau ~~division~~, and are subject to such reasonable rules
 3041 that the bureau ~~division~~ prescribes.

3042 Section 55. Subsection (2) and paragraph (a) of subsection
 3043 (3) of section 550.1648, Florida Statutes, are amended to read:

3044 550.1648 Greyhound adoptions.--

3045 (2) In addition to the charity days authorized under s.
 3046 550.0351, a greyhound permitholder may fund the greyhound
 3047 adoption program by holding a charity racing day designated as
 3048 "Greyhound Adopt-A-Pet Day." All profits derived from the

3049 operation of the charity day must be placed into a fund used to
 3050 support activities at the racing facility which promote the
 3051 adoption of greyhounds. The bureau ~~division~~ may adopt rules for
 3052 administering the fund. Proceeds from the charity day authorized
 3053 in this subsection may not be used as a source of funds for the
 3054 purposes set forth in s. 550.1647.

3055 (3) (a) Upon a violation of this section by a permitholder
 3056 or licensee, the bureau ~~division~~ may impose a penalty as
 3057 provided in s. 550.0251(10) and require the permitholder to take
 3058 corrective action.

3059 Section 56. Section 550.175, Florida Statutes, is amended
 3060 to read:

3061 550.175 Petition for election to revoke permit.--Upon
 3062 petition of 20 percent of the qualified electors of any county
 3063 wherein any racing has been licensed and conducted under this
 3064 chapter, the county commissioners of such county shall provide
 3065 for the submission to the electors of such county at the then
 3066 next succeeding general election the question of whether any
 3067 permit or permits theretofore granted shall be continued or
 3068 revoked, and if a majority of the electors voting on such
 3069 question in such election vote to cancel or recall the permit
 3070 theretofore given, the bureau ~~division~~ may not thereafter grant
 3071 any license on the permit so recalled. Every signature upon
 3072 every recall petition must be signed in the presence of the
 3073 clerk of the board of county commissioners at the office of the
 3074 clerk of the circuit court of the county, and the petitioner
 3075 must present at the time of such signing her or his registration
 3076 receipt showing the petitioner's qualification as an elector of

HB 1385

2008

3077 the county at the time of the signing of the petition. Not more
 3078 than one permit may be included in any one petition; and, in all
 3079 elections in which the recall of more than one permit is voted
 3080 on, the voters shall be given an opportunity to vote for or
 3081 against the recall of each permit separately. ~~Nothing in This~~
 3082 chapter does not ~~shall be construed to~~ prevent the holding of
 3083 later referendum or recall elections.

3084 Section 57. Subsections (1), (3), and (5) of section
 3085 550.1815, Florida Statutes, are amended to read:

3086 550.1815 Certain persons prohibited from holding racing or
 3087 jai alai permits; suspension and revocation.--

3088 (1) A corporation, general or limited partnership, sole
 3089 proprietorship, business trust, joint venture, or unincorporated
 3090 association, or other business entity may not hold any
 3091 horseracing or dogracing permit or jai alai fronton permit in
 3092 this state if any one of the persons or entities specified in
 3093 paragraph (a) has been determined by the bureau ~~division~~ not to
 3094 be of good moral character or has been convicted of any offense
 3095 specified in paragraph (b).

- 3096 (a)1. The permitholder;
 3097 2. An employee of the permitholder;
 3098 3. The sole proprietor of the permitholder;
 3099 4. A corporate officer or director of the permitholder;
 3100 5. A general partner of the permitholder;
 3101 6. A trustee of the permitholder;
 3102 7. A member of an unincorporated association permitholder;
 3103 8. A joint venturer of the permitholder;

HB 1385

2008

3104 9. The owner of more than 5 percent of any equity interest
 3105 in the permitholder, whether as a common shareholder, general or
 3106 limited partner, voting trustee, or trust beneficiary; or

3107 10. An owner of any interest in the permit or
 3108 permitholder, including any immediate family member of the
 3109 owner, or holder of any debt, mortgage, contract, or concession
 3110 from the permitholder, who by virtue thereof is able to control
 3111 the business of the permitholder.

3112 (b)1. A felony in this state;

3113 2. Any felony in any other state which would be a felony
 3114 if committed in this state under the laws of this state;

3115 3. Any felony under the laws of the United States;

3116 4. A felony under the laws of another state if related to
 3117 gambling which would be a felony under the laws of this state if
 3118 committed in this state; or

3119 5. Bookmaking as defined in s. 849.25.

3120 (3) After notice and hearing, the bureau ~~division~~ shall
 3121 refuse to issue or renew or shall suspend, as appropriate, any
 3122 permit found in violation of subsection (1). The order shall
 3123 become effective 120 days after service of the order upon the
 3124 permitholder and shall be amended to constitute a final order of
 3125 revocation unless the permitholder has, within that period of
 3126 time, either caused the divestiture, or agreed with the
 3127 convicted person upon a complete immediate divestiture, of her
 3128 or his holding, or has petitioned the circuit court as provided
 3129 in subsection (4) or, in the case of corporate officers or
 3130 directors of the holder or employees of the holder, has
 3131 terminated the relationship between the permitholder and those

3132 persons mentioned. The bureau ~~division~~ may, by order, extend the
 3133 120-day period for divestiture, upon good cause shown, to avoid
 3134 interruption of any jai alai or race meeting or to otherwise
 3135 effectuate this section. If no action has been taken by the
 3136 permitholder within the 120-day period following the issuance of
 3137 the order of suspension, the bureau ~~division~~ shall, without
 3138 further notice or hearing, enter a final order of revocation of
 3139 the permit. When any permitholder or sole proprietor of a
 3140 permitholder is convicted of an offense specified in paragraph
 3141 (1)(b), the bureau ~~department~~ may approve a transfer of the
 3142 permit to a qualified applicant, upon a finding that revocation
 3143 of the permit would impair the state's revenue from the
 3144 operation of the permit or otherwise be detrimental to the
 3145 interests of the state in the regulation of the industry of
 3146 pari-mutuel wagering. In such approval, a ~~ne~~ public referendum
 3147 is not required, notwithstanding any other provision of law. A
 3148 petition for transfer after conviction must be filed with the
 3149 bureau ~~department~~ within 30 days after service upon the
 3150 permitholder of the final order of revocation. The timely filing
 3151 of such a petition automatically stays any revocation order
 3152 until further order of the bureau ~~department~~.

3153 (5) The bureau ~~division~~ shall make such rules for the
 3154 photographing, fingerprinting, and obtaining of personal data of
 3155 individuals described in paragraph (1)(a) and the obtaining of
 3156 such data regarding the business entities described in paragraph
 3157 (1)(a) as is necessary to effectuate the provisions of this
 3158 section.

3159 Section 58. Section 550.24055, Florida Statutes, is
 3160 amended to read:

3161 550.24055 Use of controlled substances or alcohol
 3162 prohibited; testing of certain occupational licensees; penalty;
 3163 evidence of test or action taken and admissibility for criminal
 3164 prosecution limited.--

3165 (1) The use of a controlled substance as defined in
 3166 chapter 893 or of alcohol by any occupational licensees
 3167 officiating at or participating in a race or jai alai game is
 3168 prohibited.

3169 (2) The occupational licensees, by applying for and
 3170 holding such licenses, are deemed to have given their consents
 3171 to submit to an approved chemical test of their breath for the
 3172 purpose of determining the alcoholic content of their blood and
 3173 to a urine or blood test for the purpose of detecting the
 3174 presence of controlled substances. Such tests shall only be
 3175 conducted upon reasonable cause that a violation has occurred as
 3176 shall be determined solely by the stewards at a horseracing
 3177 meeting or the judges or board of judges at a dogtrack or jai
 3178 alai meet. The failure to submit to such test may result in a
 3179 suspension of the person's occupational license for a period of
 3180 10 days or until this section has been complied with, whichever
 3181 is longer.

3182 (a) If there was at the time of the test 0.05 percent or
 3183 less by weight of alcohol in the person's blood, the person is
 3184 presumed not to have been under the influence of alcoholic
 3185 beverages to the extent that the person's normal faculties were

HB 1385

2008

3186 impaired, and no action of any sort may be taken by the
3187 stewards, judges, or board of judges or the bureau ~~division~~.

3188 (b) If there was at the time of the test an excess of 0.05
3189 percent but less than 0.08 percent by weight of alcohol in the
3190 person's blood, that fact does not give rise to any presumption
3191 that the person was or was not under the influence of alcoholic
3192 beverages to the extent that the person's faculties were
3193 impaired, but the stewards, judges, or board of judges may
3194 consider that fact in determining whether or not the person will
3195 be allowed to officiate or participate in any given race or jai
3196 alai game.

3197 (c) If there was at the time of the test 0.08 percent or
3198 more by weight of alcohol in the person's blood, that fact is
3199 prima facie evidence that the person was under the influence of
3200 alcoholic beverages to the extent that the person's normal
3201 faculties were impaired, and the stewards or judges may take
3202 action as set forth in this section, but the person may not
3203 officiate at or participate in any race or jai alai game on the
3204 day of such test.

3205

3206 All tests relating to alcohol must be performed in a manner
3207 substantially similar, or identical, to the provisions of s.
3208 316.1934 and rules adopted pursuant to that section. Following a
3209 test of the urine or blood to determine the presence of a
3210 controlled substance as defined in chapter 893, if a controlled
3211 substance is found to exist, the stewards, judges, or board of
3212 judges may take such action as is permitted in this section.

3213 (3) A violation of subsection (2) is subject to the
 3214 following penalties:

3215 (a) For the first violation, the stewards, judges, or
 3216 board of judges may suspend a licensee for up to 10 days or in
 3217 the alternative may impose a civil fine of up to \$500 in lieu of
 3218 a suspension.

3219 (b) For a second violation within 1 year after the first
 3220 violation the stewards, judges, or board of judges may suspend a
 3221 licensee for up to 30 days and in addition to or in lieu of
 3222 suspension may impose a civil fine of up to \$2,000.

3223
 3224 In lieu of or in addition to the foregoing penalties, the
 3225 stewards, judges, or board of judges may require the licensee to
 3226 participate in a drug or alcohol rehabilitation program and to
 3227 be retested.

3228 (c) If the second violation occurred within 1 year after
 3229 the first violation, then upon the finding of a third violation
 3230 of this section within 1 year after the second violation, the
 3231 stewards, judges, or board of judges may suspend the licensee
 3232 for up to 120 days; and the stewards, judges, or board of judges
 3233 shall forward the results of the tests under paragraphs (a) and
 3234 (b) and this violation to the bureau ~~division~~. In addition to
 3235 the action taken by the stewards, judges, or board of judges,
 3236 the bureau ~~division~~, after a hearing, may deny, suspend, or
 3237 revoke the occupational license of the licensee and may impose a
 3238 civil penalty of up to \$5,000 in addition to, or in lieu of, a
 3239 suspension or revocation, it being the intent of the Legislature
 3240 that the bureau ~~division~~ shall have no authority over the

3241 enforcement of this section until a licensee has committed the
 3242 third violation within 2 years after the first violation.

3243 (4) Section 120.80(18) applies ~~The provisions of s.~~
 3244 ~~120.80(4)(a)~~ apply to all actions taken by the stewards, judges,
 3245 or board of judges pursuant to this section without regard to
 3246 the limitation contained therein.

3247 (5) This section does not apply to the possession and use
 3248 of controlled or chemical substances that are prescribed as part
 3249 of the care and treatment of a disease or injury by a
 3250 practitioner licensed under chapter 458, chapter 459, part I of
 3251 chapter 464, or chapter 466.

3252 (6) Evidence of any test or actions taken by the stewards,
 3253 judges, or board of judges or the bureau ~~division~~ under this
 3254 section is inadmissible for any purpose in any court for
 3255 criminal prosecution, it being the intent of the Legislature to
 3256 provide a method and means by which the health, safety, and
 3257 welfare of those officiating at or participating in a race meet
 3258 or a jai alai game are sufficiently protected. However, this
 3259 subsection does not prohibit any person so authorized from
 3260 pursuing an independent investigation as a result of a ruling
 3261 made by the stewards, judges, or board of judges, or the bureau
 3262 ~~division~~.

3263 Section 59. Section 550.2415, Florida Statutes, is amended
 3264 to read:

3265 550.2415 Racing of animals under certain conditions
 3266 prohibited; penalties; exceptions.--

3267 (1)(a) The racing of an animal with any drug, medication,
 3268 stimulant, depressant, hypnotic, narcotic, local anesthetic, or

3269 drug-masking agent is prohibited. It is a violation of this
 3270 section for a person to administer or cause to be administered
 3271 any drug, medication, stimulant, depressant, hypnotic, narcotic,
 3272 local anesthetic, or drug-masking agent to an animal which will
 3273 result in a positive test for such substance based on samples
 3274 taken from the animal immediately prior to or immediately after
 3275 the racing of that animal. Test results and the identities of
 3276 the animals being tested and of their trainers and owners of
 3277 record are confidential and exempt from s. 119.07(1) and from s.
 3278 24(a), Art. I of the State Constitution for 10 days after
 3279 testing of all samples collected on a particular day has been
 3280 completed and any positive test results derived from such
 3281 samples have been reported to the director of the bureau
 3282 ~~division~~ or administrative action has been commenced.

3283 (b) It is a violation of this section for a race-day
 3284 specimen to contain a level of a naturally occurring substance
 3285 which exceeds normal physiological concentrations. The bureau
 3286 ~~division~~ may adopt rules that specify normal physiological
 3287 concentrations of naturally occurring substances in the natural
 3288 untreated animal and rules that specify acceptable levels of
 3289 environmental contaminants and trace levels of substances in
 3290 test samples.

3291 (c) The finding of a prohibited substance in a race-day
 3292 specimen constitutes prima facie evidence that the substance was
 3293 administered and was carried in the body of the animal while
 3294 participating in the race.

3295 (2) Administrative action may be taken by the bureau
 3296 ~~division~~ against an occupational licensee responsible pursuant

3297 to rule of the bureau ~~division~~ for the condition of an animal
 3298 that has been impermissibly medicated or drugged in violation of
 3299 this section.

3300 (3) (a) Upon the finding of a violation of this section,
 3301 the bureau ~~division~~ may revoke or suspend the license or permit
 3302 of the violator or deny a license or permit to the violator;
 3303 impose a fine against the violator in an amount not exceeding
 3304 \$5,000; require the full or partial return of the purse,
 3305 sweepstakes, and trophy of the race at issue; or impose against
 3306 the violator any combination of such penalties. The finding of a
 3307 violation of this section in no way prohibits a prosecution for
 3308 criminal acts committed.

3309 (b) The bureau ~~division~~, notwithstanding the provisions of
 3310 chapter 120, may summarily suspend the license of an
 3311 occupational licensee responsible under this section or bureau
 3312 ~~division~~ rule for the condition of a race animal if the bureau
 3313 ~~division~~ laboratory reports the presence of an impermissible
 3314 substance in the animal or its blood, urine, saliva, or any
 3315 other bodily fluid, either before a race in which the animal is
 3316 entered or after a race the animal has run.

3317 (c) If an occupational licensee is summarily suspended
 3318 under this section, the bureau ~~division~~ shall offer the licensee
 3319 a prompt postsuspension hearing within 72 hours, at which the
 3320 bureau ~~division~~ shall produce the laboratory report and
 3321 documentation which, on its face, establishes the responsibility
 3322 of the occupational licensee. Upon production of the
 3323 documentation, the occupational licensee has the burden of
 3324 proving his or her lack of responsibility.

HB 1385

2008

3325 (d) Any proceeding for administrative action against a
3326 licensee or permittee, other than a proceeding under paragraph
3327 (c), shall be conducted in compliance with chapter 120.

3328 (4) A prosecution pursuant to this section for a violation
3329 of this section must be commenced within 2 years after the
3330 violation was committed. Service of an administrative complaint
3331 marks the commencement of administrative action.

3332 (5) The bureau ~~division~~ shall implement a split-sample
3333 procedure for testing animals under this section.

3334 (a) Upon finding a positive drug test result, the
3335 department shall notify the owner or trainer of the results. The
3336 owner may request that each urine and blood sample be split into
3337 a primary sample and a secondary (split) sample. Such splitting
3338 must be accomplished in the laboratory under rules approved by
3339 the bureau ~~division~~. Custody of both samples must remain with
3340 the bureau ~~division~~. However, upon request by the affected
3341 trainer or owner of the animal from which the sample was
3342 obtained, the bureau ~~division~~ shall send the split sample to an
3343 approved independent laboratory for analysis. The bureau
3344 ~~division~~ shall establish standards and rules for uniform
3345 enforcement and shall maintain a list of at least five approved
3346 independent laboratories for an owner or trainer to select from
3347 in the event of a positive test sample.

3348 (b) If the state laboratory's findings are not confirmed
3349 by the independent laboratory, no further administrative or
3350 disciplinary action under this section may be pursued. The
3351 bureau ~~division~~ may adopt rules identifying substances that

HB 1385

2008

3352 diminish in a blood or urine sample due to passage of time and
3353 that must be taken into account in applying this section.

3354 (c) If the independent laboratory confirms the state
3355 laboratory's positive result, or if there is an insufficient
3356 quantity of the secondary (split) sample for confirmation of the
3357 state laboratory's positive result, the bureau ~~division~~ may
3358 commence administrative proceedings as prescribed in this
3359 chapter and consistent with chapter 120. For purposes of this
3360 subsection, the department shall in good faith attempt to obtain
3361 a sufficient quantity of the test fluid to allow both a primary
3362 test and a secondary test to be made.

3363 (6) (a) It is the intent of the Legislature that animals
3364 that participate in races in this state on which pari-mutuel
3365 wagering is conducted and animals that are bred and trained in
3366 this state for racing be treated humanely, both on and off
3367 racetracks, throughout the lives of the animals.

3368 (b) The bureau ~~division~~ shall, by rule, establish the
3369 procedures for euthanizing greyhounds. However, a greyhound may
3370 not be put to death by any means other than by lethal injection
3371 of the drug sodium pentobarbital. A greyhound may not be removed
3372 from this state for the purpose of being destroyed.

3373 (c) It is a violation of this chapter for an occupational
3374 licensee to train a greyhound using live or dead animals. A
3375 greyhound may not be taken from this state for the purpose of
3376 being trained through the use of live or dead animals.

3377 (d) A conviction of cruelty to animals pursuant to s.
3378 828.12 involving a racing animal constitutes a violation of this
3379 chapter.

HB 1385

2008

3380 (7) All moneys recovered for violations of this section
3381 shall be kept in a separate fund to be deposited into the Pari-
3382 mutuel Wagering Trust Fund and shall be used for research
3383 relating to the medication of racing animals. Such recovered
3384 moneys shall be supervised and used by the bureau ~~division~~ to
3385 contract with a reputable college or school of veterinary
3386 medicine or its designee in accordance with this subsection.

3387 (8) Under no circumstances may any medication be
3388 administered closer than 24 hours prior to the officially
3389 scheduled post time of a race except as provided for in this
3390 section.

3391 (a) The bureau ~~division~~ shall adopt rules setting
3392 conditions for the use of furosemide to treat exercise-induced
3393 pulmonary hemorrhage.

3394 (b) The bureau ~~division~~ shall adopt rules setting
3395 conditions for the use of prednisolone sodium succinate, but
3396 under no circumstances may furosemide or prednisolone sodium
3397 succinate be administered closer than 4 hours prior to the
3398 officially scheduled post time for the race.

3399 (c) The bureau ~~division~~ shall adopt rules setting
3400 conditions for the use of phenylbutazone and synthetic
3401 corticosteroids; in no case, except as provided in paragraph
3402 (b), shall these substances be given closer than 24 hours prior
3403 to the officially scheduled post time of a race. Oral
3404 corticosteroids are prohibited except when prescribed by a
3405 licensed veterinarian and reported to the bureau ~~division~~ on
3406 forms prescribed by the bureau ~~division~~.

3407 (d) ~~Nothing in~~ This section does not ~~shall be interpreted~~
3408 ~~to~~ prohibit the use of vitamins, minerals, or naturally
3409 occurring substances so long as none exceeds the normal
3410 physiological concentration in a race day specimen.

3411 (e) The bureau ~~division~~ may, by rule, establish acceptable
3412 levels of permitted medications and shall select the appropriate
3413 biological specimens by which the administration of permitted
3414 medication is monitored.

3415 (9) (a) Under no circumstances may any medication be
3416 administered within 24 hours before the officially scheduled
3417 post time of the race except as provided in this section.

3418 (b) As an exception to this section, if the bureau
3419 ~~division~~ first determines that the use of furosemide,
3420 phenylbutazone, or prednisolone sodium succinate in horses is in
3421 the best interest of racing, the bureau ~~division~~ may adopt rules
3422 allowing such use. Any rules allowing the use of furosemide,
3423 phenylbutazone, or prednisolone sodium succinate in racing must
3424 set the conditions for such use. Under no circumstances may a
3425 rule be adopted which allows the administration of furosemide or
3426 prednisolone sodium succinate within 4 hours before the
3427 officially scheduled post time for the race. Under no
3428 circumstances may a rule be adopted which allows the
3429 administration of phenylbutazone or any other synthetic
3430 corticosteroid within 24 hours before the officially scheduled
3431 post time for the race. Any administration of synthetic
3432 corticosteroids is limited to parenteral routes. Oral
3433 administration of synthetic corticosteroids is expressly

HB 1385

2008

3434 prohibited. If this paragraph is unconstitutional, it is
3435 severable from the remainder of this section.

3436 (c) The bureau ~~division~~ shall, by rule, establish
3437 acceptable levels of permitted medications and shall select the
3438 appropriate biological specimen by which the administration of
3439 permitted medications is monitored.

3440 (10) (a) The bureau ~~division~~ may conduct a postmortem
3441 examination of any animal that is injured at a permitted
3442 racetrack while in training or in competition and that
3443 subsequently expires or is destroyed. The bureau ~~division~~ may
3444 conduct a postmortem examination of any animal that expires
3445 while housed at a permitted racetrack, association compound, or
3446 licensed kennel or farm. Trainers and owners shall be requested
3447 to comply with this paragraph as a condition of licensure.

3448 (b) The bureau ~~division~~ may take possession of the animal
3449 upon death for postmortem examination. The bureau ~~division~~ may
3450 submit blood, urine, other bodily fluid specimens, or other
3451 tissue specimens collected during a postmortem examination for
3452 testing by the bureau ~~division~~ laboratory or its designee. Upon
3453 completion of the postmortem examination, the carcass must be
3454 returned to the owner or disposed of at the owner's option.

3455 (11) The presence of a prohibited substance in an animal,
3456 found by the bureau ~~division~~ laboratory in a bodily fluid
3457 specimen collected during the postmortem examination of the
3458 animal, which breaks down during a race constitutes a violation
3459 of this section.

3460 (12) The cost of postmortem examinations, testing, and
3461 disposal must be borne by the bureau ~~division~~.

3462 (13) The bureau ~~division~~ shall adopt rules to implement
 3463 this section. The rules may include a classification system for
 3464 prohibited substances and a corresponding penalty schedule for
 3465 violations.

3466 (14) Except as specifically modified by statute or by
 3467 rules of the bureau ~~division~~, the Uniform Classification
 3468 Guidelines for Foreign Substances, revised February 14, 1995, as
 3469 promulgated by the Association of Racing Commissioners
 3470 International, Inc., is hereby adopted by reference as the
 3471 uniform classification system for class IV and V medications.

3472 (15) The bureau ~~division~~ shall utilize only the thin layer
 3473 chromatography (TLC) screening process to test for the presence
 3474 of class IV and V medications in samples taken from racehorses
 3475 except when thresholds of a class IV or class V medication have
 3476 been established and are enforced by rule. Once a sample has
 3477 been identified as suspicious for a class IV or class V
 3478 medication by the TLC screening process, the sample will be sent
 3479 for confirmation by and through additional testing methods. All
 3480 other medications not classified by rule as a class IV or class
 3481 V agent shall be subject to all forms of testing available to
 3482 the bureau ~~division~~.

3483 (16) The bureau ~~division~~ shall implement by rule
 3484 medication levels finalized by the University of Florida
 3485 developed pursuant to the Pharmacokinetic and Clearance Study
 3486 Agreement by and between the Bureau of Florida Department of
 3487 Business and Professional Regulation division of Pari-mutuel
 3488 Wagering within the Division of Gambling Oversight of the
 3489 Department of Gaming Control and the University of Florida

3490 College of Veterinary Medicine. Research on a drug level is
 3491 finalized when the University of Florida College of Veterinary
 3492 Medicine provides written notification to the bureau ~~division~~
 3493 that it has completed its research on a particular drug pursuant
 3494 to the agreement and when the College of Veterinary Medicine
 3495 provides a final report of its findings, conclusions, and
 3496 recommendations to the bureau ~~division~~.

3497 (17) The testing medium for phenylbutazone in horses shall
 3498 be serum, and the bureau ~~division~~ may collect up to six full 15-
 3499 milliliter blood tubes for each horse being sampled.

3500 Section 60. Subsection (4) of section 550.2614, Florida
 3501 Statutes, is amended to read:

3502 550.2614 Distribution of certain funds to a horsemen's
 3503 association.--

3504 (4) The bureau ~~division~~ shall adopt rules to facilitate
 3505 the orderly transfer of funds in accordance with this section.
 3506 The bureau ~~division~~ shall also monitor the membership rolls of
 3507 the horsemen's association to ensure that complete, accurate,
 3508 and timely listings are maintained for the purposes specified in
 3509 this section.

3510 Section 61. Subsection (3) of section 550.26165, Florida
 3511 Statutes, is amended to read:

3512 550.26165 Breeders' awards.--

3513 (3) Breeders' associations shall submit their plans to the
 3514 bureau ~~division~~ at least 60 days before the beginning of the
 3515 payment year. The payment year may be a calendar year or any 12-
 3516 month period, but once established, the yearly base may not be
 3517 changed except for compelling reasons. Once a plan is approved,

HB 1385

2008

3518 the bureau ~~division~~ may not allow the plan to be amended during
 3519 the year, except for the most compelling reasons.

3520 Section 62. Paragraphs (b) and (d) of subsection (2), and
 3521 subsections (3), (4), (5), (7), and (8) of section 550.2625,
 3522 Florida Statutes, are amended to read:

3523 550.2625 Horseracing; minimum purse requirement, Florida
 3524 breeders' and owners' awards.--

3525 (2) Each permitholder conducting a horserace meet is
 3526 required to pay from the takeout withheld on pari-mutuel pools a
 3527 sum for purses in accordance with the type of race performed.

3528 (b)1. A permitholder conducting a harness horse race meet
 3529 under this chapter must pay to the purse pool from the takeout
 3530 withheld a purse requirement that totals an amount not less than
 3531 8.25 percent of all contributions to pari-mutuel pools conducted
 3532 during the race meet. An amount not less than 7.75 percent of
 3533 the total handle shall be paid from this purse pool as purses.

3534 2. An amount not to exceed 0.5 percent of the total handle
 3535 on all harness horse races that are subject to the purse
 3536 requirement of subparagraph 1., must be available for use to
 3537 provide medical, dental, surgical, life, funeral, or disability
 3538 insurance benefits for occupational licensees who work at tracks
 3539 in this state at which harness horse races are conducted. Such
 3540 insurance benefits must be paid from the purse pool specified in
 3541 subparagraph 1. An annual plan for payment of insurance benefits
 3542 from the purse pool, including qualifications for eligibility,
 3543 must be submitted by the Florida Standardbred Breeders and
 3544 Owners Association for approval to the bureau ~~division~~. An
 3545 annual report of the implemented plan shall be submitted to the

3546 bureau ~~division~~. All records of the Florida Standardbred
3547 Breeders and Owners Association concerning the administration of
3548 the plan must be available for audit at the discretion of the
3549 bureau ~~division~~ to determine that the plan has been implemented
3550 and administered as authorized. If the bureau ~~division~~ finds
3551 that the Florida Standardbred Breeders and Owners Association
3552 has not complied with the provisions of this section, the bureau
3553 ~~division~~ may order the association to cease and desist from
3554 administering the plan and shall appoint the bureau ~~division~~ as
3555 temporary administrator of the plan until the bureau ~~division~~
3556 reestablishes administration of the plan with the association.

3557 (d) The bureau ~~division~~ shall adopt reasonable rules to
3558 ensure the timely and accurate payment of all amounts withheld
3559 by horserace permitholders regarding the distribution of purses,
3560 owners' awards, and other amounts collected for payment to
3561 owners and breeders. Each permitholder that fails to pay out all
3562 moneys collected for payment to owners and breeders shall,
3563 within 10 days after the end of the meet during which the
3564 permitholder underpaid purses, deposit an amount equal to the
3565 underpayment into a separate interest-bearing account to be
3566 distributed to owners and breeders in accordance with bureau
3567 ~~division~~ rules.

3568 (3) Each horseracing permitholder conducting any
3569 thoroughbred race under this chapter, including any intertrack
3570 race taken pursuant to ss. 550.615-550.6305 or any interstate
3571 simulcast taken pursuant to s. 550.3551(3) shall pay a sum equal
3572 to 0.955 percent on all pari-mutuel pools conducted during any
3573 such race for the payment of breeders', stallion, or special

3574 racing awards as authorized in this chapter. This subsection
 3575 also applies to all Breeder's Cup races conducted outside this
 3576 state taken pursuant to s. 550.3551(3). On any race originating
 3577 live in this state which is broadcast out-of-state to any
 3578 location at which wagers are accepted pursuant to s.
 3579 550.3551(2), the host track is required to pay 3.475 percent of
 3580 the gross revenue derived from such out-of-state broadcasts as
 3581 breeders', stallion, or special racing awards. The Florida
 3582 Thoroughbred Breeders' Association may ~~is authorized to~~ receive
 3583 these payments from the permitholders and make payments of
 3584 awards earned. The Florida Thoroughbred Breeders' Association
 3585 has the right to withhold up to 10 percent of the permitholder's
 3586 payments under this section as a fee for administering the
 3587 payments of awards and for general promotion of the industry.
 3588 The permitholder shall remit these payments to the Florida
 3589 Thoroughbred Breeders' Association by the 5th day of each
 3590 calendar month for such sums accruing during the preceding
 3591 calendar month and shall report such payments to the bureau
 3592 ~~division~~ as prescribed by the bureau ~~division~~. With the
 3593 exception of the 10-percent fee, the moneys paid by the
 3594 permitholders shall be maintained in a separate, interest-
 3595 bearing account, and such payments together with any interest
 3596 earned shall be used exclusively for the payment of breeders',
 3597 stallion, or special racing awards in accordance with the
 3598 following provisions:

3599 (a) The breeder of each Florida-bred thoroughbred horse
 3600 winning a thoroughbred horse race is entitled to an award of up
 3601 to, but not exceeding, 20 percent of the announced gross purse,

3602 including nomination fees, eligibility fees, starting fees,
 3603 supplementary fees, and moneys added by the sponsor of the race.

3604 (b) The owner or owners of the sire of a Florida-bred
 3605 thoroughbred horse that wins a stakes race is entitled to a
 3606 stallion award of up to, but not exceeding, 20 percent of the
 3607 announced gross purse, including nomination fees, eligibility
 3608 fees, starting fees, supplementary fees, and moneys added by the
 3609 sponsor of the race.

3610 (c) The owners of thoroughbred horses participating in
 3611 thoroughbred stakes races, nonstakes races, or both may receive
 3612 a special racing award in accordance with the agreement
 3613 established pursuant to s. 550.26165(1).

3614 (d) In order for a breeder of a Florida-bred thoroughbred
 3615 horse to be eligible to receive a breeder's award, the horse
 3616 must have been registered as a Florida-bred horse with the
 3617 Florida Thoroughbred Breeders' Association, and the Jockey Club
 3618 certificate for the horse must show that it has been duly
 3619 registered as a Florida-bred horse as evidenced by the seal and
 3620 proper serial number of the Florida Thoroughbred Breeders'
 3621 Association registry. The Florida Thoroughbred Breeders'
 3622 Association shall be permitted to charge the registrant a
 3623 reasonable fee for this verification and registration.

3624 (e) In order for an owner of the sire of a thoroughbred
 3625 horse winning a stakes race to be eligible to receive a stallion
 3626 award, the stallion must have been registered with the Florida
 3627 Thoroughbred Breeders' Association, and the breeding of the
 3628 registered Florida-bred horse must have occurred in this state.
 3629 The stallion must be standing permanently in this state during

HB 1385

2008

3630 the period of time between February 1 and June 15 of each year
3631 or, if the stallion is dead, must have stood permanently in this
3632 state for a period of not less than 1 year immediately prior to
3633 its death. The removal of a stallion from this state during the
3634 period of time between February 1 and June 15 of any year for
3635 any reason, other than exclusively for prescribed medical
3636 treatment, as approved by the Florida Thoroughbred Breeders'
3637 Association, renders the owner or owners of the stallion
3638 ineligible to receive a stallion award under any circumstances
3639 for offspring sired prior to removal; however, if a removed
3640 stallion is returned to this state, all offspring sired
3641 subsequent to the return make the owner or owners of the
3642 stallion eligible for the stallion award but only for those
3643 offspring sired subsequent to such return to this state. The
3644 Florida Thoroughbred Breeders' Association shall maintain
3645 complete records showing the date the stallion arrived in this
3646 state for the first time, whether or not the stallion remained
3647 in the state permanently, the location of the stallion, and
3648 whether the stallion is still standing in this state and
3649 complete records showing awards earned, received, and
3650 distributed. The association may charge the owner, owners, or
3651 breeder a reasonable fee for this service.

3652 (f) A permitholder conducting a thoroughbred horse race
3653 under the provisions of this chapter shall, within 30 days after
3654 the end of the race meet during which the race is conducted,
3655 certify to the Florida Thoroughbred Breeders' Association such
3656 information relating to the thoroughbred horses winning a stakes
3657 or other horserace at the meet as may be required to determine

3658 the eligibility for payment of breeders', stallion, and special
 3659 racing awards.

3660 (g) The Florida Thoroughbred Breeders' Association shall
 3661 maintain complete records showing the starters and winners in
 3662 all races conducted at thoroughbred tracks in this state; shall
 3663 maintain complete records showing awards earned, received, and
 3664 distributed; and may charge the owner, owners, or breeder a
 3665 reasonable fee for this service.

3666 (h) The Florida Thoroughbred Breeders' Association shall
 3667 annually establish a uniform rate and procedure for the payment
 3668 of breeders' and stallion awards and shall make breeders' and
 3669 stallion award payments in strict compliance with the
 3670 established uniform rate and procedure plan. The plan may set a
 3671 cap on winnings and may limit, exclude, or defer payments to
 3672 certain classes of races, such as the Florida stallion stakes
 3673 races, in order to assure that there are adequate revenues to
 3674 meet the proposed uniform rate. Such plan must include proposals
 3675 for the general promotion of the industry. Priority shall be
 3676 placed upon imposing such restrictions in lieu of allowing the
 3677 uniform rate to be less than 15 percent of the total purse
 3678 payment. The uniform rate and procedure plan must be approved by
 3679 the bureau ~~division~~ before implementation. In the absence of an
 3680 approved plan and procedure, the authorized rate for breeders'
 3681 and stallion awards is 15 percent of the announced gross purse
 3682 for each race. Such purse must include nomination fees,
 3683 eligibility fees, starting fees, supplementary fees, and moneys
 3684 added by the sponsor of the race. If the funds in the account
 3685 for payment of breeders' and stallion awards are not sufficient

3686 to meet all earned breeders' and stallion awards, those breeders
 3687 and stallion owners not receiving payments have first call on
 3688 any subsequent receipts in that or any subsequent year.

3689 (i) The Florida Thoroughbred Breeders' Association shall
 3690 keep accurate records showing receipts and disbursements of such
 3691 payments and shall annually file a full and complete report to
 3692 the bureau ~~division~~ showing such receipts and disbursements and
 3693 the sums withheld for administration. The bureau ~~division~~ may
 3694 audit the records and accounts of the Florida Thoroughbred
 3695 Breeders' Association to determine that payments have been made
 3696 to eligible breeders and stallion owners in accordance with this
 3697 section.

3698 (j) If the bureau ~~division~~ finds that the Florida
 3699 Thoroughbred Breeders' Association has not complied with any
 3700 provision of this section, the bureau ~~division~~ may order the
 3701 association to cease and desist from receiving funds and
 3702 administering funds received under this section. If the bureau
 3703 ~~division~~ enters such an order, the permitholder shall make the
 3704 payments authorized in this section to the bureau ~~division~~ for
 3705 deposit into the Pari-mutuel Wagering Trust Fund; and any funds
 3706 in the Florida Thoroughbred Breeders' Association account shall
 3707 be immediately paid to the Bureau ~~division~~ of Pari-mutuel
 3708 Wagering for deposit to the Pari-mutuel Wagering Trust Fund. The
 3709 bureau ~~division~~ shall authorize payment from these funds to any
 3710 breeder or stallion owner entitled to an award that has not been
 3711 previously paid by the Florida Thoroughbred Breeders'
 3712 Association in accordance with the applicable rate.

3713 (4) Each permitholder conducting a harness horse race
 3714 under this chapter shall pay a sum equal to the breaks on all
 3715 pari-mutuel pools conducted during that race for the payment of
 3716 breeders' awards, stallion awards, and stallion stakes and for
 3717 additional expenditures as authorized in this section. The
 3718 Florida Standardbred Breeders and Owners Association may ~~is~~
 3719 ~~authorized to~~ receive these payments from the permitholders and
 3720 make payments as authorized in this subsection. The Florida
 3721 Standardbred Breeders and Owners Association has the right to
 3722 withhold up to 10 percent of the permitholder's payments under
 3723 this section and under s. 550.2633 as a fee for administering
 3724 these payments. The permitholder shall remit these payments to
 3725 the Florida Standardbred Breeders and Owners Association by the
 3726 5th day of each calendar month for such sums accruing during the
 3727 preceding calendar month and shall report such payments to the
 3728 bureau ~~division~~ as prescribed by the bureau ~~division~~. With the
 3729 exception of the 10-percent fee for administering the payments
 3730 and the use of the moneys authorized by paragraph (j), the
 3731 moneys paid by the permitholders shall be maintained in a
 3732 separate, interest-bearing account; and such payments together
 3733 with any interest earned shall be allocated for the payment of
 3734 breeders' awards, stallion awards, stallion stakes, additional
 3735 purses, and prizes for, and the general promotion of owning and
 3736 breeding of, Florida-bred standardbred horses. Payment of
 3737 breeders' awards and stallion awards shall be made in accordance
 3738 with the following provisions:

3739 (a) The breeder of each Florida-bred standardbred horse
 3740 winning a harness horse race is entitled to an award of up to,

HB 1385

2008

3741 but not exceeding, 20 percent of the announced gross purse,
3742 including nomination fees, eligibility fees, starting fees,
3743 supplementary fees, and moneys added by the sponsor of the race.

3744 (b) The owner or owners of the sire of a Florida-bred
3745 standardbred horse that wins a stakes race is entitled to a
3746 stallion award of up to, but not exceeding, 20 percent of the
3747 announced gross purse, including nomination fees, eligibility
3748 fees, starting fees, supplementary fees, and moneys added by the
3749 sponsor of the race.

3750 (c) In order for a breeder of a Florida-bred standardbred
3751 horse to be eligible to receive a breeder's award, the horse
3752 winning the race must have been registered as a Florida-bred
3753 horse with the Florida Standardbred Breeders and Owners
3754 Association and a registration certificate under seal for the
3755 winning horse must show that the winner has been duly registered
3756 as a Florida-bred horse as evidenced by the seal and proper
3757 serial number of the United States Trotting Association
3758 registry. The Florida Standardbred Breeders and Owners
3759 Association shall be permitted to charge the registrant a
3760 reasonable fee for this verification and registration.

3761 (d) In order for an owner of the sire of a standardbred
3762 horse winning a stakes race to be eligible to receive a stallion
3763 award, the stallion must have been registered with the Florida
3764 Standardbred Breeders and Owners Association, and the breeding
3765 of the registered Florida-bred horse must have occurred in this
3766 state. The stallion must be standing permanently in this state
3767 or, if the stallion is dead, must have stood permanently in this
3768 state for a period of not less than 1 year immediately prior to

HB 1385

2008

3769 its death. The removal of a stallion from this state for any
3770 reason, other than exclusively for prescribed medical treatment,
3771 renders the owner or the owners of the stallion ineligible to
3772 receive a stallion award under any circumstances for offspring
3773 sired prior to removal; however, if a removed stallion is
3774 returned to this state, all offspring sired subsequent to the
3775 return make the owner or owners of the stallion eligible for the
3776 stallion award but only for those offspring sired subsequent to
3777 such return to this state. The Florida Standardbred Breeders and
3778 Owners Association shall maintain complete records showing the
3779 date the stallion arrived in this state for the first time,
3780 whether or not the stallion remained in the state permanently,
3781 the location of the stallion, and whether the stallion is still
3782 standing in this state and complete records showing awards
3783 earned, received, and distributed. The association may charge
3784 the owner, owners, or breeder a reasonable fee for this service.

3785 (e) A permitholder conducting a harness horse race under
3786 this chapter shall, within 30 days after the end of the race
3787 meet during which the race is conducted, certify to the Florida
3788 Standardbred Breeders and Owners Association such information
3789 relating to the horse winning a stakes or other horserace at the
3790 meet as may be required to determine the eligibility for payment
3791 of breeders' awards and stallion awards.

3792 (f) The Florida Standardbred Breeders and Owners
3793 Association shall maintain complete records showing the starters
3794 and winners in all races conducted at harness horse racetracks
3795 in this state; shall maintain complete records showing awards

HB 1385

2008

3796 earned, received, and distributed; and may charge the owner,
3797 owners, or breeder a reasonable fee for this service.

3798 (g) The Florida Standardbred Breeders and Owners
3799 Association shall annually establish a uniform rate and
3800 procedure for the payment of breeders' awards, stallion awards,
3801 stallion stakes, additional purses, and prizes for, and for the
3802 general promotion of owning and breeding of, Florida-bred
3803 standardbred horses and shall make award payments and
3804 allocations in strict compliance with the established uniform
3805 rate and procedure. The plan may set a cap on winnings, and may
3806 limit, exclude, or defer payments to certain classes of races,
3807 such as the Florida Breeders' stakes races, in order to assure
3808 that there are adequate revenues to meet the proposed uniform
3809 rate. Priority shall be placed on imposing such restrictions in
3810 lieu of allowing the uniform rate allocated to payment of
3811 breeder and stallion awards to be less than 10 percent of the
3812 total purse payment. The uniform rate and procedure must be
3813 approved by the bureau ~~division~~ before implementation. In the
3814 absence of an approved plan and procedure, the authorized rate
3815 for breeders' and stallion awards is 10 percent of the announced
3816 gross purse for each race. Such purse must include nomination
3817 fees, eligibility fees, starting fees, supplementary fees, and
3818 moneys added by the sponsor of the race. If the funds in the
3819 account for payment of breeders' and stallion awards are not
3820 sufficient to meet all earned breeders' and stallion awards,
3821 those breeders and stallion owners not receiving payments have
3822 first call on any subsequent receipts in that or any subsequent
3823 year.

HB 1385

2008

3824 (h) The Florida Standardbred Breeders and Owners
3825 Association shall keep accurate records showing receipts and
3826 disbursements of such payments and shall annually file a full
3827 and complete report to the bureau ~~division~~ showing such receipts
3828 and disbursements and the sums withheld for administration. The
3829 bureau ~~division~~ may audit the records and accounts of the
3830 Florida Standardbred Breeders and Owners Association to
3831 determine that payments have been made to eligible breeders,
3832 stallion owners, and owners of Florida-bred standardbred horses
3833 in accordance with this section.

3834 (i) If the bureau ~~division~~ finds that the Florida
3835 Standardbred Breeders and Owners Association has not complied
3836 with any provision of this section, the bureau ~~division~~ may
3837 order the association to cease and desist from receiving funds
3838 and administering funds received under this section and under s.
3839 550.2633. If the bureau ~~division~~ enters such an order, the
3840 permitholder shall make the payments authorized in this section
3841 and s. 550.2633 to the bureau ~~division~~ for deposit into the
3842 Pari-mutuel Wagering Trust Fund; and any funds in the Florida
3843 Standardbred Breeders and Owners Association account shall be
3844 immediately paid to the bureau ~~division~~ for deposit to the Pari-
3845 mutuel Wagering Trust Fund. The bureau ~~division~~ shall authorize
3846 payment from these funds to any breeder, stallion owner, or
3847 owner of a Florida-bred standardbred horse entitled to an award
3848 that has not been previously paid by the Florida Standardbred
3849 Breeders and Owners Association in accordance with the
3850 applicable rate.

3851 (j) The board of directors of the Florida Standardbred
 3852 Breeders and Owners Association may authorize the release of up
 3853 to 25 percent of the funds available for breeders' awards,
 3854 stallion awards, stallion stakes, additional purses, and prizes
 3855 for, and for the general promotion of owning and breeding of,
 3856 Florida-bred standardbred horses to be used for purses for, and
 3857 promotion of, Florida-bred standardbred horses at race meetings
 3858 at which there is no pari-mutuel wagering unless, and to the
 3859 extent that, such release would render the funds available for
 3860 such awards insufficient to pay the breeders' and stallion
 3861 awards earned pursuant to the annual plan of the association.
 3862 Any such funds so released and used for purses are not
 3863 considered to be an "announced gross purse" as that term is used
 3864 in paragraphs (a) and (b), and no breeders' or stallion awards,
 3865 stallion stakes, or owner awards are required to be paid for
 3866 standardbred horses winning races in meetings at which there is
 3867 no pari-mutuel wagering. The amount of purses to be paid from
 3868 funds so released and the meets eligible to receive such funds
 3869 for purses must be approved by the board of directors of the
 3870 Florida Standardbred Breeders and Owners Association.

3871 (5) (a) Except as provided in subsections (7) and (8), each
 3872 permitholder conducting a quarter horse race meet under this
 3873 chapter shall pay a sum equal to the breaks plus a sum equal to
 3874 1 percent of all pari-mutuel pools conducted during that race
 3875 for supplementing and augmenting purses and prizes and for the
 3876 general promotion of owning and breeding of racing quarter
 3877 horses in this state as authorized in this section. The Florida
 3878 Quarter Horse Breeders and Owners Association may ~~is authorized~~

HB 1385

2008

3879 ~~to~~ receive these payments from the permitholders and make
3880 payments as authorized in this subsection. The Florida Quarter
3881 Horse Breeders and Owners Association, Inc., referred to in this
3882 chapter as the Florida Quarter Horse Breeders and Owners
3883 Association, has the right to withhold up to 10 percent of the
3884 permitholder's payments under this section and under s. 550.2633
3885 as a fee for administering these payments. The permitholder
3886 shall remit these payments to the Florida Quarter Horse Breeders
3887 and Owners Association by the 5th day of each calendar month for
3888 such sums accruing during the preceding calendar month and shall
3889 report such payments to the bureau ~~division~~ as prescribed by the
3890 bureau ~~division~~. With the exception of the 5-percent fee for
3891 administering the payments, the moneys paid by the permitholders
3892 shall be maintained in a separate, interest-bearing account.

3893 (b) The Florida Quarter Horse Breeders and Owners
3894 Association shall use these funds solely for supplementing and
3895 augmenting purses and prizes and for the general promotion of
3896 owning and breeding of racing quarter horses in this state and
3897 for general administration of the Florida Quarter Horse Breeders
3898 and Owners Association, Inc., in this state.

3899 (c) In order for an owner or breeder of a Florida-bred
3900 quarter horse to be eligible to receive an award, the horse
3901 winning a race must have been registered as a Florida-bred horse
3902 with the Florida Quarter Horse Breeders and Owners Association
3903 and a registration certificate under seal for the winning horse
3904 must show that the winning horse has been duly registered prior
3905 to the race as a Florida-bred horse as evidenced by the seal and
3906 proper serial number of the Florida Quarter Horse Breeders and

3907 Owners Association registry. The Department of Agriculture and
 3908 Consumer Services may ~~is authorized to~~ assist the association in
 3909 maintaining this registry. The Florida Quarter Horse Breeders
 3910 and Owners Association may charge the registrant a reasonable
 3911 fee for this verification and registration. Any person who
 3912 registers unqualified horses or misrepresents information in any
 3913 way shall be denied any future participation in breeders'
 3914 awards, and all horses misrepresented will no longer be deemed
 3915 to be Florida-bred.

3916 (d) A permitholder conducting a quarter horse race under a
 3917 quarter horse permit under this chapter shall, within 30 days
 3918 after the end of the race meet during which the race is
 3919 conducted, certify to the Florida Quarter Horse Breeders and
 3920 Owners Association such information relating to the horse
 3921 winning a stakes or other horserace at the meet as may be
 3922 required to determine the eligibility for payment of breeders'
 3923 awards under this section.

3924 (e) The Florida Quarter Horse Breeders and Owners
 3925 Association shall maintain complete records showing the starters
 3926 and winners in all quarter horse races conducted under quarter
 3927 horse permits in this state; shall maintain complete records
 3928 showing awards earned, received, and distributed; and may charge
 3929 the owner, owners, or breeder a reasonable fee for this service.

3930 (f) The Florida Quarter Horse Breeders and Owners
 3931 Association shall keep accurate records showing receipts and
 3932 disbursements of payments made under this section and shall
 3933 annually file a full and complete report to the bureau ~~division~~
 3934 showing such receipts and disbursements and the sums withheld

HB 1385

2008

3935 for administration. The bureau ~~division~~ may audit the records
3936 and accounts of the Florida Quarter Horse Breeders and Owners
3937 Association to determine that payments have been made in
3938 accordance with this section.

3939 (g) The Florida Quarter Horse Breeders and Owners
3940 Association shall annually establish a plan for supplementing
3941 and augmenting purses and prizes and for the general promotion
3942 of owning and breeding Florida-bred racing quarter horses and
3943 shall make award payments and allocations in strict compliance
3944 with the annual plan. The annual plan must be approved by the
3945 bureau ~~division~~ before implementation. If the funds in the
3946 account for payment of purses and prizes are not sufficient to
3947 meet all purses and prizes to be awarded, those breeders and
3948 owners not receiving payments have first call on any subsequent
3949 receipts in that or any subsequent year.

3950 (h) If the bureau ~~division~~ finds that the Florida Quarter
3951 Horse Breeders and Owners Association has not complied with any
3952 provision of this section, the bureau ~~division~~ may order the
3953 association to cease and desist from receiving funds and
3954 administering funds received under this section and s. 550.2633.
3955 If the bureau ~~division~~ enters such an order, the permitholder
3956 shall make the payments authorized in this section and s.
3957 550.2633 to the bureau ~~division~~ for deposit into the Pari-mutuel
3958 Wagering Trust Fund, and any funds in the Florida Quarter Horse
3959 Breeders and Owners Association account shall be immediately
3960 paid to the bureau ~~division~~ for deposit to the Pari-mutuel
3961 Wagering Trust Fund. The bureau ~~division~~ shall authorize payment
3962 from these funds to any breeder or owner of a quarter horse

3963 entitled to an award that has not been previously paid by the
 3964 Florida Quarter Horse Breeders and Owners Association in
 3965 accordance with this section.

3966 (7) (a) Each permitholder that conducts race meets under
 3967 this chapter and runs Appaloosa races shall pay to the bureau
 3968 ~~division~~ a sum equal to the breaks plus a sum equal to 1 percent
 3969 of the total contributions to each pari-mutuel pool conducted on
 3970 each Appaloosa race. The payments shall be remitted to the
 3971 bureau ~~division~~ by the 5th day of each calendar month for sums
 3972 accruing during the preceding calendar month.

3973 (b) The bureau ~~division~~ shall deposit these collections to
 3974 the credit of the General Inspection Trust Fund in a special
 3975 account to be known as the "Florida Appaloosa Racing Promotion
 3976 Account." The Department of Agriculture and Consumer Services
 3977 shall administer the funds and adopt suitable and reasonable
 3978 rules for the administration thereof. The moneys in the Florida
 3979 Appaloosa Racing Promotion Account shall be allocated solely for
 3980 supplementing and augmenting purses and prizes and for the
 3981 general promotion of owning and breeding of racing Appaloosas in
 3982 this state; and the moneys may not be used to defray any expense
 3983 of the Department of Agriculture and Consumer Services in the
 3984 administration of this chapter.

3985 (8) (a) Each permitholder that conducts race meets under
 3986 this chapter and runs Arabian horse races shall pay to the
 3987 bureau ~~division~~ a sum equal to the breaks plus a sum equal to 1
 3988 percent of the total contributions to each pari-mutuel pool
 3989 conducted on each Arabian horse race. The payments shall be

HB 1385

2008

3990 remitted to the bureau ~~division~~ by the 5th day of each calendar
 3991 month for sums accruing during the preceding calendar month.

3992 (b) The bureau ~~division~~ shall deposit these collections to
 3993 the credit of the General Inspection Trust Fund in a special
 3994 account to be known as the "Florida Arabian Horse Racing
 3995 Promotion Account." The Department of Agriculture and Consumer
 3996 Services shall administer the funds and adopt suitable and
 3997 reasonable rules for the administration thereof. The moneys in
 3998 the Florida Arabian Horse Racing Promotion Account shall be
 3999 allocated solely for supplementing and augmenting purses and
 4000 prizes and for the general promotion of owning and breeding of
 4001 racing Arabian horses in this state; and the moneys may not be
 4002 used to defray any expense of the Department of Agriculture and
 4003 Consumer Services in the administration of this chapter, except
 4004 that the moneys generated by Arabian horse registration fees
 4005 received pursuant to s. 570.382 may be used as provided in
 4006 paragraph (5)(b) of that section.

4007 Section 63. Section 550.26352, Florida Statutes, is
 4008 amended to read:

4009 550.26352 Breeders' Cup Meet; pools authorized; conflicts;
 4010 taxes; credits; transmission of races; rules; application.--

4011 (1) Notwithstanding any provision of this chapter to the
 4012 contrary, there is ~~hereby~~ created a special thoroughbred race
 4013 meet which shall be designated as the "Breeders' Cup Meet." The
 4014 Breeders' Cup Meet shall be conducted at the facility of the
 4015 Florida permitholder selected by Breeders' Cup Limited to
 4016 conduct the Breeders' Cup Meet. The Breeders' Cup Meet shall
 4017 consist of 3 days: the day on which the Breeders' Cup races are

HB 1385

2008

4018 | conducted, the preceding day, and the subsequent day. Upon the
 4019 | selection of the Florida permitholder as host for the Breeders'
 4020 | Cup Meet and application by the selected permitholder, the
 4021 | bureau ~~division~~ shall issue a license to the selected
 4022 | permitholder to operate the Breeders' Cup Meet. Notwithstanding
 4023 | s. 550.09515(2)(a), the Breeders' Cup Meet may be conducted on
 4024 | dates which the selected permitholder is not otherwise
 4025 | authorized to conduct a race meet.

4026 | (2) The permitholder conducting the Breeders' Cup Meet is
 4027 | specifically authorized to create pari-mutuel pools during the
 4028 | Breeders' Cup Meet by accepting pari-mutuel wagers on the
 4029 | thoroughbred horse races run during said meet.

4030 | (3) If the permitholder conducting the Breeders' Cup Meet
 4031 | is located within 35 miles of one or more permitholders
 4032 | scheduled to conduct a thoroughbred race meet on any of the 3
 4033 | days of the Breeders' Cup Meet, then operation on any of those 3
 4034 | days by the other permitholders is prohibited. As compensation
 4035 | for the loss of racing days caused thereby, such operating
 4036 | permitholders shall receive a credit against the taxes otherwise
 4037 | due and payable to the state under ss. 550.0951 and 550.09515.
 4038 | This credit shall be in an amount equal to the operating loss
 4039 | determined to have been suffered by the operating permitholders
 4040 | as a result of not operating on the prohibited racing days, but
 4041 | shall not exceed a total of \$950,000. The determination of the
 4042 | amount to be credited shall be made by the bureau ~~division~~ upon
 4043 | application by the operating permitholder. The tax credits
 4044 | provided in this subsection shall not be available unless an
 4045 | operating permitholder is required to close a bona fide meet

4046 | consisting in part of no fewer than 10 scheduled performances in
 4047 | the 15 days immediately preceding or 10 scheduled performances
 4048 | in the 15 days immediately following the Breeders' Cup Meet.
 4049 | Such tax credit shall be in lieu of any other compensation or
 4050 | consideration for the loss of racing days. There shall be no
 4051 | replacement or makeup of any lost racing days.

4052 | (4) Notwithstanding any provision of ss. 550.0951 and
 4053 | 550.09515, the permitholder conducting the Breeders' Cup Meet
 4054 | shall pay no taxes on the handle included within the pari-mutuel
 4055 | pools of said permitholder during the Breeders' Cup Meet.

4056 | (5) The permitholder conducting the Breeders' Cup Meet
 4057 | shall receive a credit against the taxes otherwise due and
 4058 | payable to the state under ss. 550.0951 and 550.09515 generated
 4059 | during said permitholder's next ensuing regular thoroughbred
 4060 | race meet. This credit shall be in an amount not to exceed
 4061 | \$950,000 and shall be utilized by the permitholder to pay the
 4062 | purses offered by the permitholder during the Breeders' Cup Meet
 4063 | in excess of the purses which the permitholder is otherwise
 4064 | required by law to pay. The amount to be credited shall be
 4065 | determined by the bureau ~~division~~ upon application of the
 4066 | permitholder which is subject to audit by the bureau ~~division~~.

4067 | (6) The permitholder conducting the Breeders' Cup Meet
 4068 | shall receive a credit against the taxes otherwise due and
 4069 | payable to the state under ss. 550.0951 and 550.09515 generated
 4070 | during said permitholder's next ensuing regular thoroughbred
 4071 | race meet. This credit shall be in an amount not to exceed
 4072 | \$950,000 and shall be utilized by the permitholder for such
 4073 | capital improvements and extraordinary expenses as may be

HB 1385

2008

4074 necessary for operation of the Breeders' Cup Meet. The amount to
 4075 be credited shall be determined by the bureau ~~division~~ upon
 4076 application of the permitholder which is subject to audit by the
 4077 bureau ~~division~~.

4078 (7) The permitholder conducting the Breeders' Cup Meet
 4079 shall be exempt from the payment of purses and other payments to
 4080 horsemen on all on-track, intertrack, interstate, and
 4081 international wagers or rights fees or payments arising
 4082 therefrom for all races for which the purse is paid or supplied
 4083 by Breeders' Cup Limited. The permitholder conducting the
 4084 Breeders' Cup Meet shall not, however, be exempt from breeders'
 4085 awards payments for on-track and intertrack wagers as provided
 4086 in ss. 550.2625(3) and 550.625(2) (a) for races in which the
 4087 purse is paid or supplied by Breeders' Cup Limited.

4088 (8) (a) Pursuant to s. 550.3551(2), the permitholder
 4089 conducting the Breeders' Cup Meet may ~~is authorized to~~ transmit
 4090 broadcasts of the races conducted during the Breeders' Cup Meet
 4091 to locations outside of this state for wagering purposes. The
 4092 bureau ~~division~~ may approve broadcasts to pari-mutuel
 4093 permitholders and other betting systems authorized under the
 4094 laws of any other state or country. Wagers accepted by any out-
 4095 of-state pari-mutuel permitholder or betting system on any races
 4096 broadcast under this section may be, but are not required to be,
 4097 commingled with the pari-mutuel pools of the permitholder
 4098 conducting the Breeders' Cup Meet. The calculation of any payoff
 4099 on national pari-mutuel pools with commingled wagers may be
 4100 performed by the permitholder's totalisator contractor at a
 4101 location outside of this state. Pool amounts from wagers placed

4102 at pari-mutuel facilities or other betting systems in foreign
 4103 countries before being commingled with the pari-mutuel pool of
 4104 the Florida permitholder conducting the Breeders' Cup Meet shall
 4105 be calculated by the totalisator contractor and transferred to
 4106 the commingled pool in United States currency in cycles
 4107 customarily used by the permitholder. Pool amounts from wagers
 4108 placed at any foreign pari-mutuel facility or other betting
 4109 system shall not be commingled with a Florida pool until a
 4110 determination is made by the bureau ~~division~~ that the technology
 4111 utilized by the totalisator contractor is adequate to assure
 4112 commingled pools will result in the calculation of accurate
 4113 payoffs to Florida bettors. Any totalisator contractor at a
 4114 location outside of this state shall comply with the provisions
 4115 of s. 550.495 relating to totalisator licensing.

4116 (b) The permitholder conducting the Breeders' Cup Meet may
 4117 ~~is authorized to~~ transmit broadcasts of the races conducted
 4118 during the Breeders' Cup Meet to other pari-mutuel facilities
 4119 located in this state for wagering purposes; however, the
 4120 permitholder conducting the Breeders' Cup Meet shall not be
 4121 required to transmit broadcasts to any pari-mutuel facility
 4122 located within 25 miles of the facility at which the Breeders'
 4123 Cup Meet is conducted.

4124 (9) The exemption from the tax credits provided in
 4125 subsections (5) and (6) shall not be granted and shall not be
 4126 claimed by the permitholder until an audit is completed by the
 4127 bureau ~~division~~. The bureau ~~division~~ is required to complete the
 4128 audit within 30 days of receipt of the necessary documentation
 4129 from the permitholder to verify the permitholder's claim for tax

HB 1385

2008

4130 credits. If the documentation submitted by the permitholder is
4131 incomplete or is insufficient to document the permitholder's
4132 claim for tax credits, the bureau ~~division~~ may request such
4133 additional documentation as is necessary to complete the audit.
4134 Upon receipt of the bureau ~~division~~'s written request for
4135 additional documentation, the 30-day time limitation will
4136 commence anew.

4137 (10) The bureau ~~may division is authorized~~ to adopt such
4138 rules as are necessary to facilitate the conduct of the
4139 Breeders' Cup Meet as authorized in this section. Included
4140 within this grant of authority shall be the adoption or waiver
4141 of rules regarding the overall conduct of racing during the
4142 Breeders' Cup Meet so as to ensure the integrity of the races,
4143 licensing for all participants, special stabling and training
4144 requirements for foreign horses, commingling of pari-mutuel
4145 pools, and audit requirements for tax credits and other
4146 benefits.

4147 (11) Any dispute between the bureau ~~division~~ and any
4148 permitholder regarding the tax credits authorized under
4149 subsection (3), subsection (5), or subsection (6) shall be
4150 determined by a hearing officer of the Division of
4151 Administrative Hearings under the provisions of s. 120.57(1).

4152 (12) The provisions of this section shall prevail over any
4153 conflicting provisions of this chapter.

4154 Section 64. Subsections (1), (5), (6), and (8) of section
4155 550.2704, Florida Statutes, are amended to read:

4156 550.2704 Jai Alai Tournament of Champions Meet.--

HB 1385

2008

4157 (1) Notwithstanding any provision of this chapter, there
4158 is hereby created a special jai alai meet which shall be
4159 designated as the "Jai Alai Tournament of Champions Meet" and
4160 which shall be hosted by the Florida jai alai permitholders
4161 selected by the National Association of Jai Alai Frontons, Inc.,
4162 to conduct such meet. The meet shall consist of three qualifying
4163 performances and a final performance, each of which is to be
4164 conducted on different days. Upon the selection of the Florida
4165 permitholders for the meet, and upon application by the selected
4166 permitholders, the Bureau ~~division~~ of Pari-mutuel Wagering shall
4167 issue a license to each of the selected permitholders to operate
4168 the meet. The meet may be conducted during a season in which the
4169 permitholders selected to conduct the meet are not otherwise
4170 authorized to conduct a meet. Notwithstanding anything herein to
4171 the contrary, any Florida permitholder who is to conduct a
4172 performance which is a part of the Jai Alai Tournament of
4173 Champions Meet shall not be required to apply for the license
4174 for said meet if it is to be run during the regular season for
4175 which such permitholder has a license.

4176 (5) In addition to the credit authorized in subsection
4177 (4), the Jai Alai Tournament of Champions Meet permitholders
4178 shall receive a credit against the taxes, otherwise due and
4179 payable under s. 550.0951 or s. 550.09511, generated during said
4180 permitholders' current regular meet, in an amount not to exceed
4181 the aggregate amount of \$150,000, which shall be prorated
4182 equally between the permitholders, and shall be utilized by the
4183 permitholders for such capital improvements and extraordinary
4184 expenses, including marketing expenses, as may be necessary for

HB 1385

2008

4185 the operation of the meet. The determination of the amount to be
 4186 credited shall be made by the bureau ~~division~~ upon application
 4187 of said permitholders.

4188 (6) The permitholder shall be entitled to said
 4189 permitholder's pro rata share of the \$150,000 tax credit
 4190 provided in subsection (5) without having to make application,
 4191 so long as appropriate documentation to substantiate said
 4192 expenditures thereunder is provided to the bureau ~~division~~
 4193 within 30 days following said Jai Alai Tournament of Champions
 4194 Meet.

4195 (8) The bureau ~~may division is authorized to~~ adopt such
 4196 rules as are necessary to facilitate the conduct of the Jai Alai
 4197 Tournament of Champions Meet as authorized in this section.
 4198 Included within this grant of authority shall be the adoption of
 4199 rules regarding the overall conduct of the tournament so as to
 4200 ensure the integrity of the event, licensing for participants,
 4201 commingling of pari-mutuel pools, and audit requirements for tax
 4202 credits and exemptions.

4203 Section 65. Subsections (1), (2), (5), and paragraph (a)
 4204 of subsection (7) of section 550.334, Florida Statutes, are
 4205 amended to read:

4206 550.334 Quarter horse racing; substitutions.--

4207 (1) Subject to all the applicable provisions of this
 4208 chapter, any person who possesses the qualifications prescribed
 4209 in this chapter may apply to the bureau ~~division~~ for a permit to
 4210 conduct quarter horse race meetings and racing under this
 4211 chapter. The applicant must demonstrate that the location or
 4212 locations where the permit will be used are available for such

4213 use and that she or he has the financial ability to satisfy the
 4214 reasonably anticipated operational expenses of the first racing
 4215 year following final issuance of the permit. If the racing
 4216 facility is already built, the application must contain a
 4217 statement, with reasonable supporting evidence, that the permit
 4218 will be used for quarter horse racing within 1 year after the
 4219 date on which it is granted; if the facility is not already
 4220 built, the application must contain a statement, with reasonable
 4221 supporting evidence, that substantial construction will be
 4222 started within 1 year after the issuance of the permit. After
 4223 receipt of an application, the bureau ~~division~~ shall convene to
 4224 consider and act upon permits applied for. The bureau ~~division~~
 4225 shall disapprove an application if it fails to meet the
 4226 requirements of this chapter. Upon each application filed and
 4227 approved, a permit shall be issued setting forth the name of the
 4228 applicant and a statement showing qualifications of the
 4229 applicant to conduct racing under this chapter. If a favorable
 4230 referendum on a pari-mutuel facility has not been held
 4231 previously within the county, then, before a quarter horse
 4232 permit may be issued by the bureau ~~division~~, a referendum
 4233 ratified by a majority of the electors in the county is required
 4234 on the question of allowing quarter horse races within that
 4235 county.

4236 (2) After a quarter horse racing permit has been granted
 4237 by the bureau ~~division~~, the department shall grant to the lawful
 4238 holder of such permit, subject to the conditions of this
 4239 section, a license to conduct quarter horse racing under this
 4240 chapter; and the bureau ~~division~~ shall fix annually the time

4241 when, place where, and number of days upon which racing may be
 4242 conducted by such quarter horse racing permitholder. After the
 4243 first license has been issued to the holder of a permit for
 4244 quarter horse racing, all subsequent annual applications for a
 4245 license by a permitholder must be accompanied by proof, in such
 4246 form as the bureau ~~division~~ requires, that the permitholder
 4247 still possesses all the qualifications prescribed by this
 4248 chapter. The bureau ~~division~~ may revoke any permit or license
 4249 issued under this section upon the willful violation by the
 4250 licensee of any provision of this chapter or any rule adopted by
 4251 the bureau ~~division~~ under this chapter. The bureau ~~division~~
 4252 shall revoke any quarter horse permit under which no live racing
 4253 has ever been conducted before July 7, 1990, for failure to
 4254 conduct a horse meet pursuant to the license issued where a full
 4255 schedule of horseracing has not been conducted for a period of
 4256 18 months commencing on October 1, 1990, unless the permitholder
 4257 has commenced construction on a facility at which a full
 4258 schedule of live racing could be conducted as approved by the
 4259 bureau ~~division~~. "Commenced construction" means initiation of
 4260 and continuous activities beyond site preparation associated
 4261 with erecting or modifying a horseracing facility, including
 4262 procurement of a building permit applying the use of approved
 4263 construction documents, proof of an executed owner/contractor
 4264 agreement or an irrevocable or binding forced account, and
 4265 actual undertaking of foundation forming with steel installation
 4266 and concrete placing. The 18-month period shall be extended by
 4267 the bureau ~~division~~, to the extent that the applicant
 4268 demonstrates to the satisfaction of the bureau ~~division~~ that

HB 1385

2008

4269 good faith commencement of the construction of the facility is
 4270 being delayed by litigation or by governmental action or
 4271 inaction with respect to regulations or permitting precluding
 4272 commencement of the construction of the facility.

4273 (5) Quarter horses participating in such races must be
 4274 duly registered by the American Quarter Horse Association, and
 4275 before each race such horses must be examined and declared in
 4276 fit condition by a qualified person designated by the bureau
 4277 ~~division~~.

4278 (7) (a) Any quarter horse racing permitholder operating
 4279 under a valid permit issued by the bureau ~~may division is~~
 4280 ~~authorized to~~ substitute races of other breeds of horses, except
 4281 thoroughbreds, which are, respectively, registered with the
 4282 American Paint Horse Association, Appaloosa Horse Club, Arabian
 4283 Horse Registry of America, Palomino Horse Breeders of America,
 4284 or United States Trotting Association, for no more than 50
 4285 percent of the quarter horse races daily, and may substitute
 4286 races of thoroughbreds registered with the Jockey Club for no
 4287 more than 50 percent of the quarter horse races daily with the
 4288 written consent of all greyhound, harness, and thoroughbred
 4289 permitholders whose pari-mutuel facilities are located within 50
 4290 air miles of such quarter horse racing permitholder's pari-
 4291 mutuel facility.

4292 Section 66. Section 550.3355, Florida Statutes, is amended
 4293 to read:

4294 550.3355 Harness track licenses for summer quarter horse
 4295 racing.--Any harness track licensed to operate under the
 4296 provisions of s. 550.375 may make application for, and shall be

HB 1385

2008

4297 issued by the bureau ~~division~~, a license to operate not more
4298 than 50 quarter horse racing days during the summer season,
4299 which shall extend from June 1 until September 1 of each year.
4300 However, this license to operate quarter horse racing for 50
4301 days is in addition to the racing days and dates provided in s.
4302 550.375 for harness racing during the winter seasons; and, it
4303 does not affect the right of such licensee to operate harness
4304 racing at the track as provided in s. 550.375 during the winter
4305 season. All provisions of this chapter governing quarter horse
4306 racing not in conflict herewith apply to the operation of
4307 quarter horse meetings authorized hereunder, except that all
4308 quarter horse racing permitted hereunder shall be conducted at
4309 night.

4310 Section 67. Paragraph (a) of subsection (6) and
4311 subsections (10) and (13) of section 550.3551, Florida Statutes,
4312 are amended to read:

4313 550.3551 Transmission of racing and jai alai information;
4314 commingling of pari-mutuel pools.--

4315 (6) (a) A maximum of 20 percent of the total number of
4316 races on which wagers are accepted by a greyhound permitholder
4317 not located as specified in s. 550.615(6) may be received from
4318 locations outside this state. A permitholder may not conduct
4319 fewer than eight live races or games on any authorized race day
4320 except as provided in this subsection. A thoroughbred
4321 permitholder may not conduct fewer than eight live races on any
4322 race day without the written approval of the Florida
4323 Thoroughbred Breeders' Association and the Florida Horsemen's
4324 Benevolent and Protective Association, Inc., unless it is

HB 1385

2008

4325 determined by the department that another entity represents a
4326 majority of the thoroughbred racehorse owners and trainers in
4327 the state. A harness permitholder may conduct fewer than eight
4328 live races on any authorized race day, except that such
4329 permitholder must conduct a full schedule of live racing during
4330 its race meet consisting of at least eight live races per
4331 authorized race day for at least 100 days. Any harness horse
4332 permitholder that during the preceding racing season conducted a
4333 full schedule of live racing may, at any time during its current
4334 race meet, receive full-card broadcasts of harness horse races
4335 conducted at harness racetracks outside this state at the
4336 harness track of the permitholder and accept wagers on such
4337 harness races. With specific authorization from the bureau
4338 ~~division~~ for special racing events, a permitholder may conduct
4339 fewer than eight live races or games when the permitholder also
4340 broadcasts out-of-state races or games. The bureau ~~division~~ may
4341 not grant more than two such exceptions a year for a
4342 permitholder in any 12-month period, and those two exceptions
4343 may not be consecutive.

4344 (10) The bureau ~~division~~ may adopt rules necessary to
4345 facilitate commingling of pari-mutuel pools, to ensure the
4346 proper calculation of payoffs in circumstances in which
4347 different commission percentages are applicable and to regulate
4348 the distribution of net proceeds between the horse track and, in
4349 this state, the horsemen's associations.

4350 (13) This section does not prohibit the commingling of
4351 national pari-mutuel pools by a totalisator company that is
4352 licensed under this chapter. Such commingling of national pools

HB 1385

2008

4353 is subject to bureau ~~division~~ review and approval and must be
 4354 performed in accordance with rules adopted by the bureau
 4355 ~~division~~ to ensure accurate calculation and distribution of the
 4356 pools.

4357 Section 68. Section 550.3605, Florida Statutes, is amended
 4358 to read:

4359 550.3605 Use of electronic transmitting equipment; permit
 4360 by bureau ~~division~~ required.--Any person who has in her or his
 4361 possession or control on the premises of any licensed horse or
 4362 dog racetrack or jai alai fronton any electronic transmitting
 4363 equipment or device that is capable of transmitting or
 4364 communicating any information whatsoever to another person,
 4365 without the written permission of the bureau ~~division~~, is guilty
 4366 of a misdemeanor of the second degree, punishable as provided in
 4367 s. 775.082 or s. 775.083. This section does not apply to the
 4368 possession or control of any telephone, telegraph, radio, or
 4369 television facilities installed by any such licensee with the
 4370 approval of the bureau ~~division~~.

4371 Section 69. Subsections (3), (4), and (5) of section
 4372 550.3615, Florida Statutes, are amended to read:

4373 550.3615 Bookmaking on the grounds of a permitholder;
 4374 penalties; reinstatement; duties of track employees; penalty;
 4375 exceptions.--

4376 (3) Any person who has been convicted of bookmaking in
 4377 this state or any other state of the United States or any
 4378 foreign country shall be denied admittance to and shall not
 4379 attend any racetrack or fronton in this state during its racing
 4380 seasons or operating dates, including any practice or

HB 1385

2008

4381 preparational days, for a period of 2 years after the date of
4382 conviction or the date of final appeal. Following the conclusion
4383 of the period of ineligibility, the director of the bureau
4384 ~~division~~ may authorize the reinstatement of an individual
4385 following a hearing on readmittance. Any such person who
4386 knowingly violates this subsection is guilty of a misdemeanor of
4387 the first degree, punishable as provided in s. 775.082 or s.
4388 775.083.

4389 (4) If the activities of a person show that this law is
4390 being violated, and such activities are either witnessed or are
4391 common knowledge by any track or fronton employee, it is the
4392 duty of that employee to bring the matter to the immediate
4393 attention of the permit holder, manager, or her or his designee,
4394 who shall notify a law enforcement agency having jurisdiction.
4395 Willful failure on the part of any track or fronton employee to
4396 comply with the provisions of this subsection is a ground for
4397 the bureau ~~division~~ to suspend or revoke that employee's license
4398 for track or fronton employment.

4399 (5) Each permittee shall display, in conspicuous places at
4400 a track or fronton and in all race and jai alai daily programs,
4401 a warning to all patrons concerning the prohibition and
4402 penalties of bookmaking contained in this section and s. 849.25.
4403 The bureau ~~division~~ shall adopt rules concerning the uniform
4404 size of all warnings and the number of placements throughout a
4405 track or fronton. Failure on the part of the permittee to
4406 display such warnings may result in the imposition of a \$500
4407 fine by the bureau ~~division~~ for each offense.

4408 Section 70. Subsections (2) and (3) of section 550.375,
 4409 Florida Statutes, are amended to read:

4410 550.375 Operation of certain harness tracks.--

4411 (2) Any permittee or licensee authorized under this
 4412 section to transfer the location of its permit may conduct
 4413 harness racing only between the hours of 7 p.m. and 2 a.m. A
 4414 permit so transferred applies only to the locations provided in
 4415 this section. The provisions of this chapter which prohibit the
 4416 location and operation of a licensed harness track permittee and
 4417 licensee within 100 air miles of the location of a racetrack
 4418 authorized to conduct racing under this chapter and which
 4419 prohibit the bureau ~~division~~ from granting any permit to a
 4420 harness track at a location in the area in which there are three
 4421 horse tracks located within 100 air miles thereof do not apply
 4422 to a licensed harness track that is required by the terms of
 4423 this section to race between the hours of 7 p.m. and 2 a.m.

4424 (3) A permit may not be issued by the bureau ~~division~~ for
 4425 the operation of a harness track within 75 air miles of a
 4426 location of a harness track licensed and operating under this
 4427 chapter.

4428 Section 71. Section 550.495, Florida Statutes, is amended
 4429 to read:

4430 550.495 Totalisator licensing.--

4431 (1) A totalisator may not be operated at a pari-mutuel
 4432 facility in this state, or at a facility located in or out of
 4433 this state which is used as the primary totalisator for a race
 4434 or game conducted in this state, unless the totalisator company
 4435 possesses a business license issued by the bureau ~~division~~.

4436 (2) (a) Each totalisator company must apply to the bureau
 4437 ~~division~~ for an annual business license. The application must
 4438 include such information as the bureau ~~division~~ by rule
 4439 requires.

4440 (b) As a part of its license application, each totalisator
 4441 company must agree in writing to pay to the bureau ~~division~~ an
 4442 amount equal to the loss of any state revenues from missed or
 4443 canceled races, games, or performances due to acts of the
 4444 totalisator company or its agents or employees or failures of
 4445 the totalisator system, except for circumstances beyond the
 4446 control of the totalisator company or agent or employee, as
 4447 determined by the bureau ~~division~~.

4448 (c) Each totalisator company must file with the bureau
 4449 ~~division~~ a performance bond, acceptable to the bureau ~~division~~,
 4450 in the sum of \$250,000 issued by a surety approved by the bureau
 4451 ~~division~~ or must file proof of insurance, acceptable to the
 4452 bureau ~~division~~, against financial loss in the amount of
 4453 \$250,000, insuring the state against such a revenue loss.

4454 (d) In the event of a loss of state tax revenues, the
 4455 bureau ~~division~~ shall determine:

4456 1. The estimated revenue lost as a result of missed or
 4457 canceled races, games, or performances;

4458 2. The number of races, games, or performances which is
 4459 practicable for the permitholder to conduct in an attempt to
 4460 mitigate the revenue loss; and

4461 3. The amount of the revenue loss which the makeup races,
 4462 games, or performances will not recover and for which the
 4463 totalisator company is liable.

4464 (e) Upon the making of such determinations, the bureau
4465 ~~division~~ shall issue to the totalisator company and to the
4466 affected permitholder an order setting forth the determinations
4467 of the bureau ~~division~~.

4468 (f) If the order is contested by either the totalisator
4469 company or any affected permitholder, the provisions of chapter
4470 120 apply. If the totalisator company contests the order on the
4471 grounds that the revenue loss was due to circumstances beyond
4472 its control, the totalisator company has the burden of proving
4473 that circumstances vary in fact beyond its control. For purposes
4474 of this paragraph, strikes and acts of God are beyond the
4475 control of the totalisator company.

4476 (g) Upon the failure of the totalisator company to make
4477 the payment found to be due the state, the bureau ~~division~~ may
4478 cause the forfeiture of the bond or may proceed against the
4479 insurance contract, and the proceeds of the bond or contract
4480 shall be deposited into the Pari-mutuel Wagering Trust Fund. If
4481 that bond was not posted or insurance obtained, the bureau
4482 ~~division~~ may proceed against any assets of the totalisator
4483 company to collect the amounts due under this subsection.

4484 (3) If the applicant meets the requirements of this
4485 section and bureau ~~division~~ rules and pays the license fee, the
4486 bureau ~~division~~ shall issue the license.

4487 (4) Each totalisator company shall conduct operations in
4488 accordance with rules adopted by the bureau ~~division~~, in such
4489 form, content, and frequency as the bureau ~~division~~ by rule
4490 determines.

4491 (5) The bureau ~~division~~ and its representatives may enter
 4492 and inspect any area of the premises of a licensed totalisator
 4493 company, and may examine totalisator records, during the
 4494 licensee's regular business or operating hours.

4495 Section 72. Section 550.505, Florida Statutes, is amended
 4496 to read:

4497 550.505 Nonwagering permits.--

4498 (1)(a) Except as provided in this section, permits and
 4499 licenses issued by the bureau ~~division~~ are intended to be used
 4500 for pari-mutuel wagering operations in conjunction with
 4501 horseraces, dograces, or jai alai performances.

4502 (b) Subject to the requirements of this section, the
 4503 bureau ~~division~~ is authorized to issue permits for the conduct
 4504 of horseracing meets without pari-mutuel wagering or any other
 4505 form of wagering being conducted in conjunction therewith. Such
 4506 permits shall be known as nonwagering permits and may be issued
 4507 only for horseracing meets. A horseracing permitholder need not
 4508 obtain an additional permit from the bureau ~~division~~ for
 4509 conducting nonwagering racing under this section, but must apply
 4510 to the bureau ~~division~~ for the issuance of a license under this
 4511 section. The holder of a nonwagering permit is prohibited from
 4512 conducting pari-mutuel wagering or any other form of wagering in
 4513 conjunction with racing conducted under the permit. Nothing in
 4514 this subsection prohibits horseracing for any stake, purse,
 4515 prize, or premium.

4516 (c) The holder of a nonwagering permit is exempt from the
 4517 provisions of s. 550.105 and is exempt from the imposition of
 4518 daily license fees and admission tax.

HB 1385

2008

4519 (2) (a) Any person not prohibited from holding any type of
4520 pari-mutuel permit under s. 550.1815 shall be allowed to apply
4521 to the bureau ~~division~~ for a nonwagering permit. The applicant
4522 must demonstrate that the location or locations where the
4523 nonwagering permit will be used are available for such use and
4524 that the applicant has the financial ability to satisfy the
4525 reasonably anticipated operational expenses of the first racing
4526 year following final issuance of the nonwagering permit. If the
4527 racing facility is already built, the application must contain a
4528 statement, with reasonable supporting evidence, that the
4529 nonwagering permit will be used for horseracing within 1 year
4530 after the date on which it is granted. If the facility is not
4531 already built, the application must contain a statement, with
4532 reasonable supporting evidence, that substantial construction
4533 will be started within 1 year after the issuance of the
4534 nonwagering permit.

4535 (b) The bureau ~~division~~ may conduct an eligibility
4536 investigation to determine if the applicant meets the
4537 requirements of paragraph (a).

4538 (3) (a) Upon receipt of a nonwagering permit, the
4539 permitholder must apply to the bureau ~~division~~ before June 1 of
4540 each year for an annual nonwagering license for the next
4541 succeeding calendar year. Such application must set forth the
4542 days and locations at which the permitholder will conduct
4543 nonwagering horseracing and must indicate any changes in
4544 ownership or management of the permitholder occurring since the
4545 date of application for the prior license.

HB 1385

2008

4546 (b) On or before August 1 of each year, the bureau
4547 ~~division~~ shall issue a license authorizing the nonwagering
4548 permitholder to conduct nonwagering horseracing during the
4549 succeeding calendar year during the period and for the number of
4550 days set forth in the application, subject to all other
4551 provisions of this section.

4552 (c) The bureau ~~division~~ may conduct an eligibility
4553 investigation to determine the qualifications of any new
4554 ownership or management interest in the permit.

4555 (4) Upon the approval of racing dates by the bureau
4556 ~~division~~, the bureau ~~division~~ shall issue an annual nonwagering
4557 license to the nonwagering permitholder.

4558 (5) Only horses registered with an established breed
4559 registration organization, which organization shall be approved
4560 by the bureau ~~division~~, shall be raced at any race meeting
4561 authorized by this section.

4562 (6) The bureau ~~division~~ may order any person participating
4563 in a nonwagering meet to cease and desist from participating in
4564 such meet if the bureau ~~division~~ determines the person to be not
4565 of good moral character in accordance with s. 550.1815. The
4566 bureau ~~division~~ may order the operators of a nonwagering meet to
4567 cease and desist from operating the meet if the bureau ~~division~~
4568 determines the meet is being operated for any illegal purpose.

4569 Section 73. Subsection (2) of section 550.5251, Florida
4570 Statutes, is amended to read:

4571 550.5251 Florida thoroughbred racing; certain permits;
4572 operating days.--

4573 (2) Each permitholder referred to in subsection (1) shall
 4574 annually, during the period commencing December 15 of each year
 4575 and ending January 4 of the following year, file in writing with
 4576 the bureau ~~division~~ its application to conduct one or more
 4577 thoroughbred racing meetings during the thoroughbred racing
 4578 season commencing on the following June 1. Each application
 4579 shall specify the number and dates of all performances that the
 4580 permitholder intends to conduct during that thoroughbred racing
 4581 season. On or before February 15 of each year, the bureau
 4582 ~~division~~ shall issue a license authorizing each permitholder to
 4583 conduct performances on the dates specified in its application.
 4584 Up to March 31 of each year, each permitholder may request and
 4585 shall be granted changes in its authorized performances; but
 4586 thereafter, as a condition precedent to the validity of its
 4587 license and its right to retain its permit, each permitholder
 4588 must operate the full number of days authorized on each of the
 4589 dates set forth in its license.

4590 Section 74. Subsection (3) of section 550.625, Florida
 4591 Statutes, is amended to read:

4592 550.625 Intertrack wagering; purses; breeders' awards.--If
 4593 a host track is a horse track:

4594 (3) The payment to a breeders' organization shall be
 4595 combined with any other amounts received by the respective
 4596 breeders' and owners' associations as so designated. Each
 4597 breeders' and owners' association receiving these funds shall be
 4598 allowed to withhold the same percentage as set forth in s.
 4599 550.2625 to be used for administering the payment of awards and
 4600 for the general promotion of their respective industries. If the

HB 1385

2008

4601 total combined amount received for thoroughbred breeders' awards
 4602 exceeds 15 percent of the purse required to be paid under
 4603 subsection (1), the breeders' and owners' association, as so
 4604 designated, notwithstanding any other provision of law, shall
 4605 submit a plan to the bureau ~~division~~ for approval which would
 4606 use the excess funds in promoting the breeding industry by
 4607 increasing the purse structure for Florida-breds. Preference
 4608 shall be given to the track generating such excess.

4609 Section 75. Subsection (5) of section 550.6305, Florida
 4610 Statutes, is amended to read:

4611 550.6305 Intertrack wagering; guest track payments;
 4612 accounting rules.--

4613 (5) The bureau ~~division~~ shall adopt rules providing an
 4614 expedient accounting procedure for the transfer of the pari-
 4615 mutuel pool in order to properly account for payment of state
 4616 taxes, payment to the guest track, payment to the host track,
 4617 payment of purses, payment to breeders' associations, payment to
 4618 horsemen's associations, and payment to the public.

4619 Section 76. Subsections (1) and (2) of section 550.6308,
 4620 Florida Statutes, are amended to read:

4621 550.6308 Limited intertrack wagering license.--In
 4622 recognition of the economic importance of the thoroughbred
 4623 breeding industry to this state, its positive impact on tourism,
 4624 and of the importance of a permanent thoroughbred sales facility
 4625 as a key focal point for the activities of the industry, a
 4626 limited license to conduct intertrack wagering is established to
 4627 ensure the continued viability and public interest in
 4628 thoroughbred breeding in Florida.

HB 1385

2008

4629 (1) Upon application to the bureau ~~division~~ on or before
4630 January 31 of each year, any person that is licensed to conduct
4631 public sales of thoroughbred horses pursuant to s. 535.01, that
4632 has conducted at least 15 days of thoroughbred horse sales at a
4633 permanent sales facility in this state for at least 3
4634 consecutive years, and that has conducted at least 1 day of
4635 nonwagering thoroughbred racing in this state, with a purse
4636 structure of at least \$250,000 per year for 2 consecutive years
4637 before such application, shall be issued a license, subject to
4638 the conditions set forth in this section, to conduct intertrack
4639 wagering at such a permanent sales facility during the following
4640 periods:

4641 (a) Up to 21 days in connection with thoroughbred sales;

4642 (b) Between November 1 and May 8;

4643 (c) Between May 9 and October 31 at such times and on such
4644 days as any thoroughbred, jai alai, or a greyhound permitholder
4645 in the same county is not conducting live performances; provided
4646 that any such permitholder may waive this requirement, in whole
4647 or in part, and allow the licensee under this section to conduct
4648 intertrack wagering during one or more of the permitholder's
4649 live performances; and

4650 (d) During the weekend of the Kentucky Derby, the
4651 Preakness, the Belmont, and a Breeders' Cup Meet that is
4652 conducted before November 1 and after May 8.

4653
4654 No more than one such license may be issued, and no such license
4655 may be issued for a facility located within 50 miles of any
4656 thoroughbred permitholder's track.

HB 1385

2008

4657 (2) If more than one application is submitted for such
 4658 license, the bureau ~~division~~ shall determine which applicant
 4659 shall be granted the license. In making its determination, the
 4660 bureau ~~division~~ shall grant the license to the applicant
 4661 demonstrating superior capabilities, as measured by the length
 4662 of time the applicant has been conducting thoroughbred sales
 4663 within this state or elsewhere, the applicant's total volume of
 4664 thoroughbred horse sales, within this state or elsewhere, the
 4665 length of time the applicant has maintained a permanent
 4666 thoroughbred sales facility in this state, and the quality of
 4667 the facility.

4668 Section 77. Subsection (2) of section 550.70, Florida
 4669 Statutes, is amended to read:

4670 550.70 Jai alai general provisions; chief court judges
 4671 required; extension of time to construct fronton; amateur jai
 4672 alai contests permitted under certain conditions; playing days'
 4673 limitations; locking of pari-mutuel machines.--

4674 (2) The time within which the holder of a ratified permit
 4675 for jai alai or pelota has to construct and complete a fronton
 4676 may be extended by the bureau ~~division~~ for a period of 24 months
 4677 after the date of the issuance of the permit, anything to the
 4678 contrary in any statute notwithstanding.

4679 Section 78. Subsection (3) of section 550.902, Florida
 4680 Statutes, is amended to read:

4681 550.902 Purposes.--The purposes of this compact are to:

4682 (3) Authorize the Department of Gaming Control ~~Business~~
 4683 ~~and Professional Regulation~~ to participate in this compact.

HB 1385

2008

4684 Section 79. Subsection (1) of section 550.907, Florida
 4685 Statutes, is amended to read:

4686 550.907 Compact committee.--

4687 (1) There is created an interstate governmental entity to
 4688 be known as the "compact committee," which shall be composed of
 4689 one official from the racing commission, or the equivalent
 4690 thereof, in each party state who shall be appointed, serve, and
 4691 be subject to removal in accordance with the laws of the party
 4692 state that she or he represents. The official from Florida shall
 4693 be appointed by the Gaming Commission ~~Secretary of Business and~~
 4694 ~~Professional Regulation~~. Pursuant to the laws of her or his
 4695 party state, each official shall have the assistance of her or
 4696 his state's racing commission, or the equivalent thereof, in
 4697 considering issues related to licensing of participants in pari-
 4698 mutuel wagering and in fulfilling her or his responsibilities as
 4699 the representative from her or his state to the compact
 4700 committee.

4701 Section 80. Section 551.102, Florida Statutes, is amended
 4702 to read:

4703 551.102 Definitions.--As used in this chapter, the term:

4704 (1) "Bureau" means the Bureau of Slot Machines within the
 4705 Division of Gambling Oversight of the Department of Gaming
 4706 Control.

4707 (2) ~~(1)~~ "Distributor" means any person who sells, leases,
 4708 or offers or otherwise provides, distributes, or services any
 4709 slot machine or associated equipment for use or play of slot
 4710 machines in this state. A manufacturer may be a distributor
 4711 within the state.

4712 (3)~~(2)~~ "Designated slot machine gaming area" means the
 4713 area or areas of a facility of a slot machine licensee in which
 4714 slot machine gaming may be conducted in accordance with the
 4715 provisions of this chapter.

4716 (4)~~(3)~~ "Division" means the Division of Gambling Oversight
 4717 ~~Pari-mutuel Wagering~~ of the Department of Gaming Control
 4718 ~~Business and Professional Regulation~~.

4719 (5)~~(4)~~ "Eligible facility" means any licensed pari-mutuel
 4720 facility located in Miami-Dade County or Broward County existing
 4721 at the time of adoption of s. 23, Art. X of the State
 4722 Constitution that has conducted live racing or games during
 4723 calendar years 2002 and 2003 and has been approved by a majority
 4724 of voters in a countywide referendum to have slot machines at
 4725 such facility in the respective county.

4726 (6)~~(5)~~ "Manufacturer" means any person who manufactures,
 4727 builds, rebuilds, fabricates, assembles, produces, programs,
 4728 designs, or otherwise makes modifications to any slot machine or
 4729 associated equipment for use or play of slot machines in this
 4730 state for gaming purposes. A manufacturer may be a distributor
 4731 within the state.

4732 (7)~~(6)~~ "Nonredeemable credits" means slot machine
 4733 operating credits that cannot be redeemed for cash or any other
 4734 thing of value by a slot machine, kiosk, or the slot machine
 4735 licensee and that are provided free of charge to patrons. Such
 4736 credits do not constitute "nonredeemable credits" until such
 4737 time as they are metered as credit into a slot machine and
 4738 recorded in the facility-based monitoring system.

4739 (8)~~(7)~~ "Progressive system" means a computerized system
 4740 linking slot machines in one or more licensed facilities within
 4741 this state and offering one or more common progressive payouts
 4742 based on the amounts wagered.

4743 (9)~~(8)~~ "Slot machine" means any mechanical or electrical
 4744 contrivance, terminal that may or may not be capable of
 4745 downloading slot games from a central server system, machine, or
 4746 other device that, upon insertion of a coin, bill, ticket,
 4747 token, or similar object or upon payment of any consideration
 4748 whatsoever, including the use of any electronic payment system
 4749 except a credit card or debit card, is available to play or
 4750 operate, the play or operation of which, whether by reason of
 4751 skill or application of the element of chance or both, may
 4752 deliver or entitle the person or persons playing or operating
 4753 the contrivance, terminal, machine, or other device to receive
 4754 cash, billets, tickets, tokens, or electronic credits to be
 4755 exchanged for cash or to receive merchandise or anything of
 4756 value whatsoever, whether the payoff is made automatically from
 4757 the machine or manually. The term includes associated equipment
 4758 necessary to conduct the operation of the contrivance, terminal,
 4759 machine, or other device. Slot machines may use spinning reels,
 4760 video displays, or both. A slot machine is not a "coin-operated
 4761 amusement machine" as defined in s. 212.02(24) or an amusement
 4762 game or machine as described in s. 849.161, and slot machines
 4763 are not subject to the tax imposed by s. 212.05(1)(h).

4764 (10)~~(9)~~ "Slot machine facility" means a facility at which
 4765 slot machines as defined in this chapter are lawfully offered
 4766 for play.

4767 ~~(11)~~~~(10)~~ "Slot machine license" means a license issued by
 4768 the bureau ~~division~~ authorizing a pari-mutuel permitholder to
 4769 place and operate slot machines as provided by s. 23, Art. X of
 4770 the State Constitution, the provisions of this chapter, and
 4771 bureau ~~division~~ rules.

4772 ~~(12)~~~~(11)~~ "Slot machine licensee" means a pari-mutuel
 4773 permitholder who holds a license issued by the bureau ~~division~~
 4774 pursuant to this chapter that authorizes such person to possess
 4775 a slot machine within facilities specified in s. 23, Art. X of
 4776 the State Constitution and allows slot machine gaming.

4777 ~~(13)~~~~(12)~~ "Slot machine operator" means a person employed
 4778 or contracted by the owner of a licensed facility to conduct
 4779 slot machine gaming at that licensed facility.

4780 ~~(14)~~~~(13)~~ "Slot machine revenues" means the total of all
 4781 cash and property, except nonredeemable credits, received by the
 4782 slot machine licensee from the operation of slot machines less
 4783 the amount of cash, cash equivalents, credits, and prizes paid
 4784 to winners of slot machine gaming.

4785 Section 81. Section 551.103, Florida Statutes, is amended
 4786 to read:

4787 551.103 Powers and duties of the bureau ~~division~~ and law
 4788 enforcement.--

4789 (1) The bureau ~~division~~ shall adopt, pursuant to the
 4790 provisions of ss. 120.536(1) and 120.54, all rules necessary to
 4791 implement, administer, and regulate slot machine gaming as
 4792 authorized in this chapter. Such rules must include:

4793 (a) Procedures for applying for a slot machine license and
 4794 renewal of a slot machine license.

4795 (b) Technical requirements and the qualifications
 4796 contained in this chapter that are necessary to receive a slot
 4797 machine license or slot machine occupational license.

4798 (c) Procedures to scientifically test and technically
 4799 evaluate slot machines for compliance with this chapter. The
 4800 bureau ~~division~~ may contract with an independent testing
 4801 laboratory to conduct any necessary testing under this section.
 4802 The independent testing laboratory must have a national
 4803 reputation which is demonstrably competent and qualified to
 4804 scientifically test and evaluate slot machines for compliance
 4805 with this chapter and to otherwise perform the functions
 4806 assigned to it in this chapter. An independent testing
 4807 laboratory shall not be owned or controlled by a licensee. The
 4808 use of an independent testing laboratory for any purpose related
 4809 to the conduct of slot machine gaming by a licensee under this
 4810 chapter shall be made from a list of one or more laboratories
 4811 approved by the bureau ~~division~~.

4812 (d) Procedures relating to slot machine revenues,
 4813 including verifying and accounting for such revenues, auditing,
 4814 and collecting taxes and fees consistent with this chapter.

4815 (e) Procedures for regulating, managing, and auditing the
 4816 operation, financial data, and program information relating to
 4817 slot machine gaming that allow the bureau ~~division~~ and the
 4818 Division of Licensing and ~~Department of Law Enforcement~~ to audit
 4819 the operation, financial data, and program information of a slot
 4820 machine licensee, as required by the bureau ~~division~~ or the
 4821 Division of Licensing and ~~Department of Law Enforcement~~, and
 4822 provide the bureau ~~division~~ and the Division of Licensing and

4823 ~~Department of Law~~ Enforcement with the ability to monitor, at
 4824 any time on a real-time basis, wagering patterns, payouts, tax
 4825 collection, and compliance with any rules adopted by the bureau
 4826 ~~division~~ for the regulation and control of slot machines
 4827 operated under this chapter. Such continuous and complete
 4828 access, at any time on a real-time basis, shall include the
 4829 ability of either the bureau division or the Division of
 4830 Licensing and ~~Department of Law~~ Enforcement to suspend play
 4831 immediately on particular slot machines if monitoring of the
 4832 facilities-based computer system indicates possible tampering or
 4833 manipulation of those slot machines or the ability to suspend
 4834 play immediately of the entire operation if the tampering or
 4835 manipulation is of the computer system itself. The bureau
 4836 ~~division~~ shall notify the Division of Licensing and ~~Department~~
 4837 ~~of Law~~ Enforcement or the Division of Licensing and ~~Department~~
 4838 ~~of Law~~ Enforcement shall notify the bureau division, as
 4839 appropriate, whenever there is a suspension of play under this
 4840 paragraph. The bureau division and the Division of Licensing and
 4841 ~~Department of Law~~ Enforcement shall exchange such information
 4842 necessary for and cooperate in the investigation of the
 4843 circumstances requiring suspension of play under this paragraph.

4844 (f) Procedures for requiring each licensee at his or her
 4845 own cost and expense to supply the bureau division with a bond
 4846 having the penal sum of \$2 million payable to the Governor and
 4847 his or her successors in office for each year of the licensee's
 4848 slot machine operations. Any bond shall be issued by a surety or
 4849 sureties approved by the bureau division and the Chief Financial
 4850 Officer, conditioned to faithfully make the payments to the

4851 Chief Financial Officer in his or her capacity as treasurer of
 4852 the bureau ~~division~~. The licensee shall be required to keep its
 4853 books and records and make reports as provided in this chapter
 4854 and to conduct its slot machine operations in conformity with
 4855 this chapter and all other provisions of law. Such bond shall be
 4856 separate and distinct from the bond required in s. 550.125.

4857 (g) Procedures for requiring licensees to maintain
 4858 specified records and submit any data, information, record, or
 4859 report, including financial and income records, required by this
 4860 chapter or determined by the bureau ~~division~~ to be necessary to
 4861 the proper implementation and enforcement of this chapter.

4862 (h) A requirement that the payout percentage of a slot
 4863 machine be no less than 85 percent.

4864 (i) Minimum standards for security of the facilities,
 4865 including floor plans, security cameras, and other security
 4866 equipment.

4867 (j) Procedures for requiring slot machine licensees to
 4868 implement and establish drug-testing programs for all slot
 4869 machine occupational licensees.

4870 (2) The bureau ~~division~~ shall conduct such investigations
 4871 necessary to fulfill its responsibilities under the provisions
 4872 of this chapter.

4873 (3) The Division of Licensing and ~~Department of Law~~
 4874 Enforcement and local law enforcement agencies shall have
 4875 concurrent jurisdiction to investigate criminal violations of
 4876 this chapter and may investigate any other criminal violation of
 4877 law occurring at the facilities of a slot machine licensee, and

4878 such investigations may be conducted in conjunction with the
 4879 appropriate state attorney.

4880 (4) (a) The bureau ~~division~~, the Division of Licensing and
 4881 ~~Department of Law~~ Enforcement, and local law enforcement
 4882 agencies shall have unrestricted access to the slot machine
 4883 licensee's facility at all times and shall require of each slot
 4884 machine licensee strict compliance with the laws of this state
 4885 relating to the transaction of such business. The bureau
 4886 ~~division~~, the Division of Licensing and ~~Department of Law~~
 4887 Enforcement, and local law enforcement agencies may:

4888 1. Inspect and examine premises where slot machines are
 4889 offered for play.

4890 2. Inspect slot machines and related equipment and
 4891 supplies.

4892 (b) In addition, the bureau ~~division~~ may:

4893 1. Collect taxes, assessments, fees, and penalties.

4894 2. Deny, revoke, suspend, or place conditions on the
 4895 license of a person who violates any provision of this chapter
 4896 or rule adopted pursuant thereto.

4897 (5) The bureau ~~division~~ shall revoke or suspend the
 4898 license of any person who is no longer qualified or who is
 4899 found, after receiving a license, to have been unqualified at
 4900 the time of application for the license.

4901 (6) This section does not:

4902 (a) Prohibit the Division of Licensing and ~~Department of~~
 4903 ~~Law~~ Enforcement or any law enforcement authority whose
 4904 jurisdiction includes a licensed facility from conducting

HB 1385

2008

4905 investigations of criminal activities occurring at the facility
 4906 of the slot machine licensee;

4907 (b) Restrict access to the slot machine licensee's
 4908 facility by the Division of Licensing and ~~Department of Law~~
 4909 Enforcement or any local law enforcement authority whose
 4910 jurisdiction includes the slot machine licensee's facility; or

4911 (c) Restrict access by the Division of Licensing and
 4912 ~~Department of Law~~ Enforcement or local law enforcement
 4913 authorities to information and records necessary to the
 4914 investigation of criminal activity that are contained within the
 4915 slot machine licensee's facility.

4916 Section 82. Section 551.104, Florida Statutes, is amended
 4917 to read:

4918 551.104 License to conduct slot machine gaming.--

4919 (1) Upon application and a finding by the bureau division
 4920 after investigation that the application is complete and the
 4921 applicant is qualified and payment of the initial license fee,
 4922 the bureau division may issue a license to conduct slot machine
 4923 gaming in the designated slot machine gaming area of the
 4924 eligible facility. Once licensed, slot machine gaming may be
 4925 conducted subject to the requirements of this chapter and rules
 4926 adopted pursuant thereto.

4927 (2) An application may be approved by the bureau division
 4928 only after the voters of the county where the applicant's
 4929 facility is located have authorized by referendum slot machines
 4930 within pari-mutuel facilities in that county as specified in s.
 4931 23, Art. X of the State Constitution.

4932 (3) A slot machine license may be issued only to a
 4933 licensed pari-mutuel permitholder, and slot machine gaming may
 4934 be conducted only at the eligible facility at which the
 4935 permitholder is authorized under its valid pari-mutuel wagering
 4936 permit to conduct pari-mutuel wagering activities.

4937 (4) As a condition of licensure and to maintain continued
 4938 authority for the conduct of slot machine gaming, the slot
 4939 machine licensee shall:

4940 (a) Continue to be in compliance with this chapter.

4941 (b) Continue to be in compliance with chapter 550, where
 4942 applicable, and maintain the pari-mutuel permit and license in
 4943 good standing pursuant to the provisions of chapter 550.
 4944 Notwithstanding any contrary provision of law and in order to
 4945 expedite the operation of slot machines at eligible facilities,
 4946 any eligible facility shall be entitled within 60 days after the
 4947 effective date of this act to amend its 2006-2007 pari-mutuel
 4948 wagering operating license issued by the bureau ~~division~~ under
 4949 ss. 550.0115 and 550.01215. The bureau ~~division~~ shall issue a
 4950 new license to the eligible facility to effectuate any approved
 4951 change.

4952 (c) Conduct no fewer than a full schedule of live racing
 4953 or games as defined in s. 550.002(11). A permitholder's
 4954 responsibility to conduct such number of live races or games
 4955 shall be reduced by the number of races or games that could not
 4956 be conducted due to the direct result of fire, war, hurricane,
 4957 or other disaster or event beyond the control of the
 4958 permitholder.

4959 (d) Upon approval of any changes relating to the pari-
 4960 mutuel permit by the bureau ~~division~~, be responsible for
 4961 providing appropriate current and accurate documentation on a
 4962 timely basis to the bureau ~~division~~ in order to continue the
 4963 slot machine license in good standing. Changes in ownership or
 4964 interest of a slot machine license of 5 percent or more of the
 4965 stock or other evidence of ownership or equity in the slot
 4966 machine license or any parent corporation or other business
 4967 entity that in any way owns or controls the slot machine license
 4968 shall be approved by the bureau ~~division~~ prior to such change,
 4969 unless the owner is an existing holder of that license who was
 4970 previously approved by the bureau ~~division~~. Changes in ownership
 4971 or interest of a slot machine license of less than 5 percent,
 4972 unless such change results in a cumulative total of 5 percent or
 4973 more, shall be reported to the bureau ~~division~~ within 20 days
 4974 after the change. The bureau ~~division~~ may then conduct an
 4975 investigation to ensure that the license is properly updated to
 4976 show the change in ownership or interest. No reporting is
 4977 required if the person is holding 5 percent or less equity or
 4978 securities of a corporate owner of the slot machine licensee
 4979 that has its securities registered pursuant to s. 12 of the
 4980 Securities Exchange Act of 1934, 15 U.S.C. ss. 78a-78kk, and if
 4981 such corporation or entity files with the United States
 4982 Securities and Exchange Commission the reports required by s. 13
 4983 of that act or if the securities of the corporation or entity
 4984 are regularly traded on an established securities market in the
 4985 United States. A change in ownership or interest of less than 5
 4986 percent which results in a cumulative ownership or interest of 5

4987 | percent or more shall be approved by the bureau ~~division~~ prior
 4988 | to such change unless the owner is an existing holder of the
 4989 | license who was previously approved by the bureau ~~division~~.

4990 | (e) Allow the bureau ~~division~~ and the Division of
 4991 | Licensing and Department of Law Enforcement unrestricted access
 4992 | to and right of inspection of facilities of a slot machine
 4993 | licensee in which any activity relative to the conduct of slot
 4994 | machine gaming is conducted.

4995 | (f) Ensure that the facilities-based computer system that
 4996 | the licensee will use for operational and accounting functions
 4997 | of the slot machine facility is specifically structured to
 4998 | facilitate regulatory oversight. The facilities-based computer
 4999 | system shall be designed to provide the bureau ~~division~~ and the
 5000 | Division of Licensing and Department of Law Enforcement with the
 5001 | ability to monitor, at any time on a real-time basis, the
 5002 | wagering patterns, payouts, tax collection, and such other
 5003 | operations as necessary to determine whether the facility is in
 5004 | compliance with statutory provisions and rules adopted by the
 5005 | bureau ~~division~~ for the regulation and control of slot machine
 5006 | gaming. The bureau ~~division~~ and the Division of Licensing and
 5007 | ~~Department of Law Enforcement~~ shall have complete and continuous
 5008 | access to this system. Such access shall include the ability of
 5009 | either the bureau ~~division~~ or the Division of Licensing and
 5010 | ~~Department of Law Enforcement~~ to suspend play immediately on
 5011 | particular slot machines if monitoring of the system indicates
 5012 | possible tampering or manipulation of those slot machines or the
 5013 | ability to suspend play immediately of the entire operation if
 5014 | the tampering or manipulation is of the computer system itself.

5015 The computer system shall be reviewed and approved by the bureau
 5016 ~~division~~ to ensure necessary access, security, and
 5017 functionality. The bureau ~~division~~ may adopt rules to provide
 5018 for the approval process.

5019 (g) Ensure that each slot machine is protected from
 5020 manipulation or tampering to affect the random probabilities of
 5021 winning plays. The bureau ~~division~~ or the Division of Licensing
 5022 and Department of Law Enforcement shall have the authority to
 5023 suspend play upon reasonable suspicion of any manipulation or
 5024 tampering. When play has been suspended on any slot machine, the
 5025 bureau ~~division~~ or the Division of Licensing and Department of
 5026 Law Enforcement may examine any slot machine to determine
 5027 whether the machine has been tampered with or manipulated and
 5028 whether the machine should be returned to operation.

5029 (h) Submit a security plan, including the facilities'
 5030 floor plan, the locations of security cameras, and a listing of
 5031 all security equipment that is capable of observing and
 5032 electronically recording activities being conducted in the
 5033 facilities of the slot machine licensee. The security plan must
 5034 meet the minimum security requirements as determined by the
 5035 bureau ~~division~~ under s. 551.103(1)(i) and be implemented prior
 5036 to operation of slot machine gaming. The slot machine licensee's
 5037 facilities must adhere to the security plan at all times. Any
 5038 changes to the security plan must be submitted by the licensee
 5039 to the bureau ~~division~~ prior to implementation. The bureau
 5040 ~~division~~ shall furnish copies of the security plan and changes
 5041 in the plan to the Division of Licensing and Department of Law
 5042 Enforcement.

HB 1385

2008

- 5043 (i) Create and file with the bureau ~~division~~ a written
 5044 policy for:
- 5045 1. Creating opportunities to purchase from vendors in this
 5046 state, including minority vendors.
 - 5047 2. Creating opportunities for employment of residents of
 5048 this state, including minority residents.
 - 5049 3. Ensuring opportunities for construction services from
 5050 minority contractors.
 - 5051 4. Ensuring that opportunities for employment are offered
 5052 on an equal, nondiscriminatory basis.
 - 5053 5. Training for employees on responsible gaming and
 5054 working with a compulsive or addictive gambling prevention
 5055 program to further its purposes as provided for in s. 551.118.
 - 5056 6. The implementation of a drug-testing program that
 5057 includes, but is not limited to, requiring each employee to sign
 5058 an agreement that he or she understands that the slot machine
 5059 facility is a drug-free workplace.
- 5060
- 5061 The slot machine licensee shall use the Internet-based job-
 5062 listing system of the Agency for Workforce Innovation in
 5063 advertising employment opportunities. Beginning in June 2007,
 5064 each slot machine licensee shall provide an annual report to the
 5065 bureau ~~division~~ containing information indicating compliance
 5066 with this paragraph in regard to minority persons.
- 5067 (j) Ensure that the payout percentage of a slot machine is
 5068 no less than 85 percent.
- 5069 (5) A slot machine license is not transferable.

5070 (6) A slot machine licensee shall keep and maintain
 5071 permanent daily records of its slot machine operation and shall
 5072 maintain such records for a period of not less than 5 years.
 5073 These records must include all financial transactions and
 5074 contain sufficient detail to determine compliance with the
 5075 requirements of this chapter. All records shall be available for
 5076 audit and inspection by the bureau division, the Division of
 5077 Licensing and ~~Department of Law~~ Enforcement, or other law
 5078 enforcement agencies during the licensee's regular business
 5079 hours.

5080 (7) A slot machine licensee shall file with the bureau
 5081 ~~division~~ a monthly report containing the required records of
 5082 such slot machine operation. The required reports shall be
 5083 submitted on forms prescribed by the bureau division and shall
 5084 be due at the same time as the monthly pari-mutuel reports are
 5085 due to the bureau division, and the reports shall be deemed
 5086 public records once filed.

5087 (8) A slot machine licensee shall file with the bureau
 5088 ~~division~~ an audit of the receipt and distribution of all slot
 5089 machine revenues provided by an independent certified public
 5090 accountant verifying compliance with all financial and auditing
 5091 provisions of this chapter and the associated rules adopted
 5092 under this chapter. The audit must include verification of
 5093 compliance with all statutes and rules regarding all required
 5094 records of slot machine operations. Such audit shall be filed
 5095 within 60 days after the completion of the permitholder's pari-
 5096 mutuel meet.

5097 (9) The bureau ~~division~~ may share any information with the
 5098 Division of Licensing and ~~Department of Law~~ Enforcement, any
 5099 other law enforcement agency having jurisdiction over slot
 5100 machine gaming or pari-mutuel activities, or any other state or
 5101 federal law enforcement agency the bureau ~~division~~ or the
 5102 Division of Licensing and ~~Department of Law~~ Enforcement deems
 5103 appropriate. Any law enforcement agency having jurisdiction over
 5104 slot machine gaming or pari-mutuel activities may share any
 5105 information obtained or developed by it with the bureau
 5106 ~~division~~.

5107 (10) (a) A ~~Ne~~ slot machine license or renewal thereof may
 5108 not ~~shall~~ be issued to an applicant holding a permit under
 5109 chapter 550 to conduct pari-mutuel wagering meets of
 5110 thoroughbred racing unless the applicant has on file with the
 5111 bureau ~~division~~ a binding written agreement between the
 5112 applicant and the Florida Horsemen's Benevolent and Protective
 5113 Association, Inc., governing the payment of purses on live
 5114 thoroughbred races conducted at the licensee's pari-mutuel
 5115 facility. In addition, a ~~ne~~ slot machine license or renewal
 5116 thereof may not ~~shall~~ be issued to such an applicant unless the
 5117 applicant has on file with the bureau ~~division~~ a binding written
 5118 agreement between the applicant and the Florida Thoroughbred
 5119 Breeders' Association, Inc., governing the payment of breeders',
 5120 stallion, and special racing awards on live thoroughbred races
 5121 conducted at the licensee's pari-mutuel facility. The agreement
 5122 governing purses and the agreement governing awards may direct
 5123 the payment of such purses and awards from revenues generated by
 5124 any wagering or gaming the applicant is authorized to conduct

HB 1385

2008

5125 under Florida law. All purses and awards shall be subject to the
5126 terms of chapter 550. All sums for breeders', stallion, and
5127 special racing awards shall be remitted monthly to the Florida
5128 Thoroughbred Breeders' Association, Inc., for the payment of
5129 awards subject to the administrative fee authorized in s.
5130 550.2625(3).

5131 (b) The bureau ~~division~~ shall suspend a slot machine
5132 license if one or more of the agreements required under
5133 paragraph (a) are terminated or otherwise cease to operate or if
5134 the bureau ~~division~~ determines that the licensee is materially
5135 failing to comply with the terms of such an agreement. Any such
5136 suspension shall take place in accordance with chapter 120.

5137 (c)1. If an agreement required under paragraph (a) cannot
5138 be reached prior to the initial issuance of the slot machine
5139 license, either party may request arbitration or, in the case of
5140 a renewal, if an agreement required under paragraph (a) is not
5141 in place 120 days prior to the scheduled expiration date of the
5142 slot machine license, the applicant shall immediately ask the
5143 American Arbitration Association to furnish a list of 11
5144 arbitrators, each of whom shall have at least 5 years of
5145 commercial arbitration experience and no financial interest in
5146 or prior relationship with any of the parties or their
5147 affiliated or related entities or principals. Each required
5148 party to the agreement shall select a single arbitrator from the
5149 list provided by the American Arbitration Association within 10
5150 days of receipt, and the individuals so selected shall choose
5151 one additional arbitrator from the list within the next 10 days.

HB 1385

2008

5152 2. If an agreement required under paragraph (a) is not in
5153 place 60 days after the request under subparagraph 1. in the
5154 case of an initial slot machine license or, in the case of a
5155 renewal, 60 days prior to the scheduled expiration date of the
5156 slot machine license, the matter shall be immediately submitted
5157 to mandatory binding arbitration to resolve the disagreement
5158 between the parties. The three arbitrators selected pursuant to
5159 subparagraph 1. shall constitute the panel that shall arbitrate
5160 the dispute between the parties pursuant to the American
5161 Arbitration Association Commercial Arbitration Rules and chapter
5162 682.

5163 3. At the conclusion of the proceedings, which shall be no
5164 later than 90 days after the request under subparagraph 1. in
5165 the case of an initial slot machine license or, in the case of a
5166 renewal, 30 days prior to the scheduled expiration date of the
5167 slot machine license, the arbitration panel shall present to the
5168 parties a proposed agreement that the majority of the panel
5169 believes equitably balances the rights, interests, obligations,
5170 and reasonable expectations of the parties. The parties shall
5171 immediately enter into such agreement, which shall satisfy the
5172 requirements of paragraph (a) and permit issuance of the pending
5173 annual slot machine license or renewal. The agreement produced
5174 by the arbitration panel under this subparagraph shall be
5175 effective until the last day of the license or renewal period or
5176 until the parties enter into a different agreement. Each party
5177 shall pay its respective costs of arbitration and shall pay one-
5178 half of the costs of the arbitration panel, unless the parties
5179 otherwise agree. If the agreement produced by the arbitration

HB 1385

2008

5180 panel under this subparagraph remains in place 120 days prior to
 5181 the scheduled issuance of the next annual license renewal, then
 5182 the arbitration process established in this paragraph will begin
 5183 again.

5184 4. In the event that neither of the agreements required
 5185 under paragraph (a) are in place by the deadlines established in
 5186 this paragraph, arbitration regarding each agreement will
 5187 proceed independently, with separate lists of arbitrators,
 5188 arbitration panels, arbitration proceedings, and resulting
 5189 agreements.

5190 5. With respect to the agreement required under paragraph
 5191 (a) governing the payment of purses, the arbitration and
 5192 resulting agreement called for under this paragraph shall be
 5193 limited to the payment of purses from slot machine revenues
 5194 only.

5195 (d) If any provision of this subsection or its application
 5196 to any person or circumstance is held invalid, the invalidity
 5197 does not affect other provisions or applications of this
 5198 subsection or chapter which can be given effect without the
 5199 invalid provision or application, and to this end the provisions
 5200 of this subsection are severable.

5201 Section 83. Section 551.1045, Florida Statutes, is amended
 5202 to read:

5203 551.1045 Temporary licenses.--

5204 (1) Notwithstanding any provision of s. 120.60 to the
 5205 contrary, the bureau ~~division~~ may issue a temporary occupational
 5206 license upon the receipt of a complete application from the
 5207 applicant and a determination that the applicant has not been

5208 convicted of or had adjudication withheld on any disqualifying
 5209 criminal offense. The temporary occupational license remains
 5210 valid until such time as the bureau ~~division~~ grants an
 5211 occupational license or notifies the applicant of its intended
 5212 decision to deny the applicant a license pursuant to the
 5213 provisions of s. 120.60. The bureau ~~division~~ shall adopt rules
 5214 to administer this subsection. However, not more than one
 5215 temporary license may be issued for any person in any year.

5216 (2) A temporary license issued under this section is
 5217 nontransferable.

5218 Section 84. Subsection (3) of section 551.105, Florida
 5219 Statutes, is amended to read:

5220 551.105 Slot machine license renewal.--

5221 (3) Upon determination by the bureau ~~division~~ that the
 5222 application for renewal is complete and qualifications have been
 5223 met, including payment of the renewal fee, the slot machine
 5224 license shall be renewed annually.

5225 Section 85. Section 551.106, Florida Statutes, is amended
 5226 to read:

5227 551.106 License fee; tax rate; penalties.--

5228 (1) LICENSE FEE.--

5229 (a) Upon submission of the initial application for a slot
 5230 machine license and annually thereafter, on the anniversary date
 5231 of the issuance of the initial license, the licensee must pay to
 5232 the bureau ~~division~~ a nonrefundable license fee of \$3 million
 5233 for the succeeding 12 months of licensure. The license fee shall
 5234 be deposited into the Pari-mutuel Wagering Trust Fund of the
 5235 Department of Gaming Control ~~Business and Professional~~

5236 ~~Regulation~~ to be used by the bureau ~~division~~ and the Division of
 5237 Licensing and ~~Department of Law~~ Enforcement for investigations,
 5238 regulation of slot machine gaming, and enforcement of slot
 5239 machine gaming provisions under this chapter. These payments
 5240 shall be accounted for separately from taxes or fees paid
 5241 pursuant to the provisions of chapter 550.

5242 (b) Prior to January 1, 2007, the division shall evaluate
 5243 the license fee and shall make recommendations to the President
 5244 of the Senate and the Speaker of the House of Representatives
 5245 regarding the optimum level of slot machine license fees in
 5246 order to adequately support the slot machine regulatory program.

5247 (2) TAX ON SLOT MACHINE REVENUES.--

5248 (a) The tax rate on slot machine revenues at each facility
 5249 shall be 50 percent.

5250 (b) The slot machine revenue tax imposed by this section
 5251 shall be paid to the bureau ~~division~~ for deposit into the Pari-
 5252 mutuel Wagering Trust Fund for immediate transfer by the Chief
 5253 Financial Officer for deposit into the Educational Enhancement
 5254 Trust Fund of the Department of Education. Any interest earnings
 5255 on the tax revenues shall also be transferred to the Educational
 5256 Enhancement Trust Fund.

5257 (c)1. Funds transferred to the Educational Enhancement
 5258 Trust Fund under paragraph (b) shall be used to supplement
 5259 public education funding statewide.

5260 2. If necessary to comply with any covenant established
 5261 pursuant to s. 1013.68(4), s. 1013.70(1), or s. 1013.737(3),
 5262 funds transferred to the Educational Enhancement Trust Fund
 5263 under paragraph (b) shall first be available to pay debt service

HB 1385

2008

5264 on lottery bonds issued to fund school construction in the event
5265 lottery revenues are insufficient for such purpose or to satisfy
5266 debt service reserve requirements established in connection with
5267 lottery bonds. Moneys available pursuant to this subparagraph
5268 are subject to annual appropriation by the Legislature.

5269 (3) PAYMENT AND DISPOSITION OF TAXES.--Payment for the tax
5270 on slot machine revenues imposed by this section shall be paid
5271 to the bureau ~~division~~. The bureau ~~division~~ shall deposit these
5272 sums with the Chief Financial Officer, to the credit of the
5273 Pari-mutuel Wagering Trust Fund. The slot machine licensee shall
5274 remit to the bureau ~~division~~ payment for the tax on slot machine
5275 revenues. Such payments shall be remitted by 3 p.m. Wednesday of
5276 each week for taxes imposed and collected for the preceding week
5277 ending on Sunday. The slot machine licensee shall file a report
5278 under oath by the 5th day of each calendar month for all taxes
5279 remitted during the preceding calendar month. Such payments
5280 shall be accompanied by a report under oath showing all slot
5281 machine gaming activities for the preceding calendar month and
5282 such other information as may be prescribed by the bureau
5283 ~~division~~.

5284 (4) FAILURE TO PAY TAX; PENALTIES.--A slot machine
5285 licensee who fails to make tax payments as required under this
5286 section is subject to an administrative penalty of up to \$10,000
5287 for each day the tax payment is not remitted. All administrative
5288 penalties imposed and collected shall be deposited into the
5289 Pari-mutuel Wagering Trust Fund of the Department of Gaming
5290 Control ~~Business and Professional Regulation~~. If any slot
5291 machine licensee fails to pay penalties imposed by order of the

5292 bureau ~~division~~ under this subsection, the bureau ~~division~~ may
 5293 suspend, revoke, or refuse to renew the license of the slot
 5294 machine licensee.

5295 (5) SUBMISSION OF FUNDS.--The bureau ~~division~~ may require
 5296 slot machine licensees to remit taxes, fees, fines, and
 5297 assessments by electronic funds transfer.

5298 Section 86. Subsections (2), (3), (4), (5), (6), (7), (8),
 5299 (9), (10), and (11) of section 551.107, Florida Statutes, are
 5300 amended to read:

5301 551.107 Slot machine occupational license; findings;
 5302 application; fee.--

5303 (2)(a) The following slot machine occupational licenses
 5304 shall be issued to persons or entities that, by virtue of the
 5305 positions they hold, might be granted access to slot machine
 5306 gaming areas or to any other person or entity in one of the
 5307 following categories:

5308 1. General occupational licenses for general employees,
 5309 including food service, maintenance, and other similar service
 5310 and support employees having access to the slot machine gaming
 5311 area.

5312 2. Professional occupational licenses for any person,
 5313 proprietorship, partnership, corporation, or other entity that
 5314 is authorized by a slot machine licensee to manage, oversee, or
 5315 otherwise control daily operations as a slot machine manager, a
 5316 floor supervisor, security personnel, or any other similar
 5317 position of oversight of gaming operations, or any person who is
 5318 not an employee of the slot machine licensee and who provides

HB 1385

2008

5319 maintenance, repair, or upgrades or otherwise services a slot
5320 machine or other slot machine equipment.

5321 3. Business occupational licenses for any slot machine
5322 management company or company associated with slot machine
5323 gaming, any person who manufactures, distributes, or sells slot
5324 machines, slot machine paraphernalia, or other associated
5325 equipment to slot machine licensees, or any company that sells
5326 or provides goods or services associated with slot machine
5327 gaming to slot machine licensees.

5328 (b) The bureau ~~division~~ may issue one license to combine
5329 licenses under this section with pari-mutuel occupational
5330 licenses and cardroom licenses pursuant to s. 550.105(2)(b). The
5331 bureau ~~division~~ shall adopt rules pertaining to occupational
5332 licenses under this subsection. Such rules may specify, but need
5333 not be limited to, requirements and restrictions for licensed
5334 occupations and categories, procedures to apply for any license
5335 or combination of licenses, disqualifying criminal offenses for
5336 a licensed occupation or categories of occupations, and which
5337 types of occupational licenses may be combined into a single
5338 license under this section. The fingerprinting requirements of
5339 subsection (7) apply to any combination license that includes
5340 slot machine license privileges under this section. The bureau
5341 ~~division~~ may not adopt a rule allowing the issuance of an
5342 occupational license to any person who does not meet the minimum
5343 background qualifications under this section.

5344 (c) Slot machine occupational licenses are not
5345 transferable.

HB 1385

2008

5346 (3) A slot machine licensee may not employ or otherwise
5347 allow a person to work at a licensed facility unless such person
5348 holds the appropriate valid occupational license. A slot machine
5349 licensee may not contract or otherwise do business with a
5350 business required to hold a slot machine occupational license
5351 unless the business holds such a license. A slot machine
5352 licensee may not employ or otherwise allow a person to work in a
5353 supervisory or management professional level at a licensed
5354 facility unless such person holds a valid slot machine
5355 occupational license. All slot machine occupational licensees,
5356 while present in slot machine gaming areas, shall display on
5357 their persons their occupational license identification cards.

5358 (4) (a) A person seeking a slot machine occupational
5359 license or renewal thereof shall make application on forms
5360 prescribed by the bureau ~~division~~ and include payment of the
5361 appropriate application fee. Initial and renewal applications
5362 for slot machine occupational licenses must contain all
5363 information that the bureau ~~division~~, by rule, determines is
5364 required to ensure eligibility.

5365 (b) A slot machine license or combination license is valid
5366 for the same term as a pari-mutuel occupational license issued
5367 pursuant to s. 550.105(1).

5368 (c) Pursuant to rules adopted by the bureau ~~division~~, any
5369 person may apply for and, if qualified, be issued a slot machine
5370 occupational license valid for a period of 3 years upon payment
5371 of the full occupational license fee for each of the 3 years for
5372 which the license is issued. The slot machine occupational
5373 license is valid during its specified term at any licensed

5374 facility where slot machine gaming is authorized to be
 5375 conducted.

5376 (d) The slot machine occupational license fee for initial
 5377 application and annual renewal shall be determined by rule of
 5378 the bureau ~~division~~ but may not exceed \$50 for a general or
 5379 professional occupational license for an employee of the slot
 5380 machine licensee or \$1,000 for a business occupational license
 5381 for nonemployees of the licensee providing goods or services to
 5382 the slot machine licensee. License fees for general occupational
 5383 licensees shall be paid by the slot machine licensee. Failure to
 5384 pay the required fee constitutes grounds for disciplinary action
 5385 by the bureau ~~division~~ against the slot machine licensee, but it
 5386 is not a violation of this chapter or rules of the bureau
 5387 ~~division~~ by the general occupational licensee and does not
 5388 prohibit the initial issuance or the renewal of the general
 5389 occupational license.

5390 (5) The bureau ~~division~~ may:

5391 (a) Deny an application for, or revoke, suspend, or place
 5392 conditions or restrictions on, a license of a person or entity
 5393 that has been refused a license by any other state gaming
 5394 commission, governmental department, agency, or other authority
 5395 exercising regulatory jurisdiction over the gaming of another
 5396 state or jurisdiction; or

5397 (b) Deny an application for, or suspend or place
 5398 conditions on, a license of any person or entity that is under
 5399 suspension or has unpaid fines in another state or jurisdiction.

5400 (6) (a) The bureau ~~division~~ may deny, suspend, revoke, or
 5401 refuse to renew any slot machine occupational license if the

5402 applicant for such license or the licensee has violated the
 5403 provisions of this chapter or the rules of the bureau ~~division~~
 5404 governing the conduct of persons connected with slot machine
 5405 gaming. In addition, the bureau ~~division~~ may deny, suspend,
 5406 revoke, or refuse to renew any slot machine occupational license
 5407 if the applicant for such license or the licensee has been
 5408 convicted in this state, in any other state, or under the laws
 5409 of the United States of a capital felony, a felony, or an
 5410 offense in any other state that would be a felony under the laws
 5411 of this state involving arson; trafficking in, conspiracy to
 5412 traffic in, smuggling, importing, conspiracy to smuggle or
 5413 import, or delivery, sale, or distribution of a controlled
 5414 substance; racketeering; or a crime involving a lack of good
 5415 moral character, or has had a gaming license revoked by this
 5416 state or any other jurisdiction for any gaming-related offense.

5417 (b) The bureau ~~division~~ may deny, revoke, or refuse to
 5418 renew any slot machine occupational license if the applicant for
 5419 such license or the licensee has been convicted of a felony or
 5420 misdemeanor in this state, in any other state, or under the laws
 5421 of the United States if such felony or misdemeanor is related to
 5422 gambling or bookmaking as described in s. 849.25.

5423 (c) For purposes of this subsection, the term "convicted"
 5424 means having been found guilty, with or without adjudication of
 5425 guilt, as a result of a jury verdict, nonjury trial, or entry of
 5426 a plea of guilty or nolo contendere.

5427 (7) Fingerprints for all slot machine occupational license
 5428 applications shall be taken in a manner approved by the bureau
 5429 ~~division~~ and shall be submitted electronically to the Division

5430 of Licensing and ~~Department of Law~~ Enforcement for state
 5431 processing and the Federal Bureau of Investigation for national
 5432 processing for a criminal history record check. All persons as
 5433 specified in s. 550.1815(1)(a) employed by or working within a
 5434 licensed premises shall submit fingerprints for a criminal
 5435 history record check and may not have been convicted of any
 5436 disqualifying criminal offenses specified in subsection (6).
 5437 Bureau ~~Division~~ employees and law enforcement officers assigned
 5438 by their employing agencies to work within the premises as part
 5439 of their official duties are excluded from the criminal history
 5440 record check requirements under this subsection. For purposes of
 5441 this subsection, the term "convicted" means having been found
 5442 guilty, with or without adjudication of guilt, as a result of a
 5443 jury verdict, nonjury trial, or entry of a plea of guilty or
 5444 nolo contendere.

5445 (a) Fingerprints shall be taken in a manner approved by
 5446 the bureau ~~division~~ upon initial application, or as required
 5447 thereafter by rule of the bureau ~~division~~, and shall be
 5448 submitted electronically to the Department of Law Enforcement
 5449 for state processing. The Division of Licensing and ~~Department~~
 5450 ~~of Law~~ Enforcement shall forward the fingerprints to the Federal
 5451 Bureau of Investigation for national processing. The results of
 5452 the criminal history record check shall be returned to the
 5453 bureau ~~division~~ for purposes of screening. Licensees shall
 5454 provide necessary equipment approved by the Division of
 5455 Licensing and ~~Department of Law~~ Enforcement to facilitate such
 5456 electronic submission. The bureau ~~division~~ requirements under

5457 | this subsection shall be instituted in consultation with the
 5458 | Division of Licensing and ~~Department of Law Enforcement~~.

5459 | (b) The cost of processing fingerprints and conducting a
 5460 | criminal history record check for a general occupational license
 5461 | shall be borne by the slot machine licensee. The cost of
 5462 | processing fingerprints and conducting a criminal history record
 5463 | check for a business or professional occupational license shall
 5464 | be borne by the person being checked. The Division of Licensing
 5465 | and ~~Department of Law Enforcement~~ may invoice the bureau
 5466 | ~~division~~ for the fingerprints submitted each month.

5467 | (c) All fingerprints submitted to the Division of
 5468 | Licensing and ~~Department of Law Enforcement~~ and required by this
 5469 | section shall be retained by the Division of Licensing and
 5470 | ~~Department of Law Enforcement~~ and entered into the statewide
 5471 | automated fingerprint identification system as authorized by s.
 5472 | 943.05(2)(b) and shall be available for all purposes and uses
 5473 | authorized for arrest fingerprint cards entered into the
 5474 | statewide automated fingerprint identification system pursuant
 5475 | to s. 943.051.

5476 | (d) The Division of Licensing and ~~Department of Law~~
 5477 | ~~Enforcement~~ shall search all arrest fingerprints received
 5478 | pursuant to s. 943.051 against the fingerprints retained in the
 5479 | statewide automated fingerprint identification system under
 5480 | paragraph (c). Any arrest record that is identified with the
 5481 | retained fingerprints of a person subject to the criminal
 5482 | history screening requirements of this section shall be reported
 5483 | to the bureau ~~division~~. Each licensed facility shall pay a fee
 5484 | to the bureau ~~division~~ for the cost of retention of the

5485 fingerprints and the ongoing searches under this paragraph. The
 5486 bureau division shall forward the payment to the Division of
 5487 Licensing and ~~Department of Law~~ Enforcement. The amount of the
 5488 fee to be imposed for performing these searches and the
 5489 procedures for the retention of licensee fingerprints shall be
 5490 as established by rule of the Division of Licensing and
 5491 ~~Department of Law~~ Enforcement. The bureau division shall inform
 5492 the Division of Licensing and ~~Department of Law~~ Enforcement of
 5493 any change in the license status of licensees whose fingerprints
 5494 are retained under paragraph (c).

5495 (e) The bureau division shall request the Department of
 5496 Law Enforcement to forward the fingerprints to the Federal
 5497 Bureau of Investigation for a national criminal history records
 5498 check every 3 years following issuance of a license. If the
 5499 fingerprints of a person who is licensed have not been retained
 5500 by the Division of Licensing and ~~Department of Law~~ Enforcement,
 5501 the person must file a complete set of fingerprints as provided
 5502 for in paragraph (a). The bureau division shall collect the fees
 5503 for the cost of the national criminal history record check under
 5504 this paragraph and shall forward the payment to the Division of
 5505 Licensing and ~~Department of Law~~ Enforcement. The cost of
 5506 processing fingerprints and conducting a criminal history record
 5507 check under this paragraph for a general occupational license
 5508 shall be borne by the slot machine licensee. The cost of
 5509 processing fingerprints and conducting a criminal history record
 5510 check under this paragraph for a business or professional
 5511 occupational license shall be borne by the person being checked.
 5512 The Division of Licensing and ~~Department of Law~~ Enforcement may

HB 1385

2008

5513 invoice the bureau ~~division~~ for the fingerprints submitted each
5514 month. Under penalty of perjury, each person who is licensed or
5515 who is fingerprinted as required by this section must agree to
5516 inform the bureau ~~division~~ within 48 hours if he or she is
5517 convicted of or has entered a plea of guilty or nolo contendere
5518 to any disqualifying offense, regardless of adjudication.

5519 (8) All moneys collected pursuant to this section shall be
5520 deposited into the Pari-mutuel Wagering Trust Fund.

5521 (9) The bureau ~~division~~ may deny, revoke, or suspend any
5522 occupational license if the applicant or holder of the license
5523 accumulates unpaid obligations, defaults in obligations, or
5524 issues drafts or checks that are dishonored or for which payment
5525 is refused without reasonable cause.

5526 (10) The bureau ~~division~~ may fine or suspend, revoke, or
5527 place conditions upon the license of any licensee who provides
5528 false information under oath regarding an application for a
5529 license or an investigation by the bureau ~~division~~.

5530 (11) The bureau ~~division~~ may impose a civil fine of up to
5531 \$5,000 for each violation of this chapter or the rules of the
5532 bureau ~~division~~ in addition to or in lieu of any other penalty
5533 provided for in this section. The bureau ~~division~~ may adopt a
5534 penalty schedule for violations of this chapter or any rule
5535 adopted pursuant to this chapter for which it would impose a
5536 fine in lieu of a suspension and adopt rules allowing for the
5537 issuance of citations, including procedures to address such
5538 citations, to persons who violate such rules. In addition to any
5539 other penalty provided by law, the bureau ~~division~~ may exclude
5540 from all licensed slot machine facilities in this state, for a

HB 1385

2008

5541 period not to exceed the period of suspension, revocation, or
5542 ineligibility, any person whose occupational license application
5543 has been declared ineligible to hold an occupational license or
5544 whose occupational license has been suspended or revoked by the
5545 bureau division.

5546 Section 87. Section 551.108, Florida Statutes, is amended
5547 to read:

5548 551.108 Prohibited relationships.--

5549 (1) A person employed by or performing any function on
5550 behalf of the bureau division may not:

5551 (a) Be an officer, director, owner, or employee of any
5552 person or entity licensed by the bureau division.

5553 (b) Have or hold any interest, direct or indirect, in or
5554 engage in any commerce or business relationship with any person
5555 licensed by the bureau division.

5556 (2) A manufacturer or distributor of slot machines may not
5557 enter into any contract with a slot machine licensee that
5558 provides for any revenue sharing of any kind or nature that is
5559 directly or indirectly calculated on the basis of a percentage
5560 of slot machine revenues. Any maneuver, shift, or device whereby
5561 this subsection is violated is a violation of this chapter and
5562 renders any such agreement void.

5563 (3) A manufacturer or distributor of slot machines or any
5564 equipment necessary for the operation of slot machines or an
5565 officer, director, or employee of any such manufacturer or
5566 distributor may not have any ownership or financial interest in
5567 a slot machine license or in any business owned by the slot
5568 machine licensee.

5569 (4) An employee of the bureau ~~division~~ or relative living
 5570 in the same household as such employee of the bureau ~~division~~
 5571 may not wager at any time on a slot machine located at a
 5572 facility licensed by the bureau ~~division~~.

5573 (5) An occupational licensee or relative living in the
 5574 same household as such occupational licensee may not wager at
 5575 any time on a slot machine located at a facility where that
 5576 person is employed.

5577 Section 88. Subsections (2) and (7) of section 551.109,
 5578 Florida Statutes, are amended to read:

5579 551.109 Prohibited acts; penalties.--

5580 (2) Except as otherwise provided by law and in addition to
 5581 any other penalty, any person who possesses a slot machine
 5582 without the license required by this chapter or who possesses a
 5583 slot machine at any location other than at the slot machine
 5584 licensee's facility is subject to an administrative fine or
 5585 civil penalty of up to \$10,000 per machine. The prohibition in
 5586 this subsection does not apply to:

5587 (a) Slot machine manufacturers or slot machine
 5588 distributors that hold appropriate licenses issued by the bureau
 5589 ~~division~~ who are authorized to maintain a slot machine storage
 5590 and maintenance facility at any location in a county in which
 5591 slot machine gaming is authorized by this chapter. The bureau
 5592 ~~division~~ may adopt rules regarding security and access to the
 5593 storage facility and inspections by the bureau ~~division~~.

5594 (b) Certified educational facilities that are authorized
 5595 to maintain slot machines for the sole purpose of education and
 5596 licensure, if any, of slot machine technicians, inspectors, or

HB 1385

2008

5597 investigators. The bureau ~~division~~ and the Division of Licensing
5598 and Department of Law Enforcement may possess slot machines for
5599 training and testing purposes. The bureau ~~division~~ may adopt
5600 rules regarding the regulation of any such slot machines used
5601 for educational, training, or testing purposes.

5602 (7) All penalties imposed and collected under this section
5603 must be deposited into the Pari-mutuel Wagering Trust Fund of
5604 the Department of Gaming Control ~~Business and Professional~~
5605 ~~Regulation~~.

5606 Section 89. Section 551.112, Florida Statutes, is amended
5607 to read:

5608 551.112 Exclusions of certain persons.--In addition to the
5609 power to exclude certain persons from any facility of a slot
5610 machine licensee in this state, the bureau ~~division~~ may exclude
5611 any person from any facility of a slot machine licensee in this
5612 state for conduct that would constitute, if the person were a
5613 licensee, a violation of this chapter or the rules of the bureau
5614 ~~division~~. The bureau ~~division~~ may exclude from any facility of a
5615 slot machine licensee any person who has been ejected from a
5616 facility of a slot machine licensee in this state or who has
5617 been excluded from any facility of a slot machine licensee or
5618 gaming facility in another state by the governmental department,
5619 agency, commission, or authority exercising regulatory
5620 jurisdiction over the gaming in such other state. This section
5621 does not abrogate the common law right of a slot machine
5622 licensee to exclude a patron absolutely in this state.

5623 Section 90. Subsections (3) and (5) of section 551.114,
5624 Florida Statutes, are amended to read:

5625 551.114 Slot machine gaming areas.--

5626 (3) The bureau ~~division~~ shall require the posting of signs
 5627 warning of the risks and dangers of gambling, showing the odds
 5628 of winning, and informing patrons of the toll-free telephone
 5629 number available to provide information and referral services
 5630 regarding compulsive or problem gambling.

5631 (5) The permitholder shall provide adequate office space
 5632 at no cost to the bureau ~~division~~ and the Division of Licensing
 5633 and Department of Law Enforcement for the oversight of slot
 5634 machine operations. The bureau ~~division~~ shall adopt rules
 5635 establishing the criteria for adequate space, configuration, and
 5636 location and needed electronic and technological requirements
 5637 for office space required by this subsection.

5638 Section 91. Section 551.117, Florida Statutes, is amended
 5639 to read:

5640 551.117 Penalties.--The bureau ~~division~~ may revoke or
 5641 suspend any slot machine license issued under this chapter upon
 5642 the willful violation by the slot machine licensee of any
 5643 provision of this chapter or of any rule adopted under this
 5644 chapter. In lieu of suspending or revoking a slot machine
 5645 license, the bureau ~~division~~ may impose a civil penalty against
 5646 the slot machine licensee for a violation of this chapter or any
 5647 rule adopted by the bureau ~~division~~. Except as otherwise
 5648 provided in this chapter, the penalty so imposed may not exceed
 5649 \$100,000 for each count or separate offense. All penalties
 5650 imposed and collected must be deposited into the Pari-mutuel
 5651 Wagering Trust Fund of the Department of Gaming Control ~~Business~~
 5652 ~~and Professional Regulation~~.

5653 Section 92. Section 551.118, Florida Statutes, is amended
 5654 to read:

5655 551.118 Compulsive or addictive gambling prevention
 5656 program.--

5657 (1) The slot machine licensee shall offer training to
 5658 employees on responsible gaming and shall work with a compulsive
 5659 or addictive gambling prevention program to recognize problem
 5660 gaming situations and to implement responsible gaming programs
 5661 and practices.

5662 (2) The bureau ~~division~~ shall, subject to competitive
 5663 bidding, contract for provision of services related to the
 5664 prevention of compulsive and addictive gambling. The contract
 5665 shall provide for an advertising program to encourage
 5666 responsible gaming practices and to publicize a gambling
 5667 telephone help line. Such advertisements must be made both
 5668 publicly and inside the designated slot machine gaming areas of
 5669 the licensee's facilities. The terms of any contract for the
 5670 provision of such services shall include accountability
 5671 standards that must be met by any private provider. The failure
 5672 of any private provider to meet any material terms of the
 5673 contract, including the accountability standards, shall
 5674 constitute a breach of contract or grounds for nonrenewal. The
 5675 bureau ~~division~~ may consult with the Division ~~Department~~ of the
 5676 Lottery within the Department of Gaming Control in the
 5677 development of the program and the development and analysis of
 5678 any procurement for contractual services for the compulsive or
 5679 addictive gambling prevention program.

5680 (3) The compulsive or addictive gambling prevention
 5681 program shall be funded from an annual nonrefundable regulatory
 5682 fee of \$250,000 paid by the licensee to the bureau ~~division~~.

5683 Section 93. Paragraph (c) of subsection (4) of section
 5684 551.121, Florida Statutes, is amended to read:

5685 551.121 Prohibited activities and devices; exceptions.--

5686 (4)

5687 (c) Outside the designated slot machine gaming areas, a
 5688 slot machine licensee or operator may accept or cash a check for
 5689 an employee of the facility who is prohibited from wagering on a
 5690 slot machine under s. 551.108(5), a check made directly payable
 5691 to a person licensed by the bureau ~~division~~, or a check made
 5692 directly payable to the slot machine licensee or operator from:

- 5693 1. A pari-mutuel patron; or
- 5694 2. A pari-mutuel facility in this state or in another
 5695 state.

5696 Section 94. Section 551.122, Florida Statutes, is amended
 5697 to read:

5698 551.122 Rulemaking.--The bureau ~~division~~ may adopt rules
 5699 pursuant to ss. 120.536(1) and 120.54 to administer the
 5700 provisions of this chapter.

5701 Section 95. Section 551.123, Florida Statutes, is amended
 5702 to read:

5703 551.123 Legislative authority; administration of
 5704 chapter.--The Legislature finds and declares that it has
 5705 exclusive authority over the conduct of all wagering occurring
 5706 at a slot machine facility in this state. As provided by law,
 5707 only the Bureau of Slot Machines ~~division of Pari mutuel~~

HB 1385

2008

5708 ~~Wagering~~ and other authorized state agencies shall administer
 5709 this chapter and regulate the slot machine gaming industry,
 5710 including operation of slot machine facilities, games, slot
 5711 machines, and facilities-based computer systems authorized in
 5712 this chapter and the rules adopted by the bureau ~~division~~.

5713 Section 96. Section 616.09, Florida Statutes, is amended
 5714 to read:

5715 616.09 Not authorized to carry on gambling, etc. ;
 5716 forfeiture of charter for violations; annulment
 5717 proceedings.--~~Nothing in~~ This chapter does not ~~shall be held or~~
 5718 ~~construed to~~ authorize or permit any fair association to carry
 5719 on, conduct, supervise, permit, or suffer any gambling or game
 5720 of chance, lottery, betting, or other act in violation of the
 5721 criminal laws of the state; and ~~nothing in~~ this chapter does not
 5722 ~~shall~~ permit horseracing or dogracing or any other pari-mutuel
 5723 wagering, for money or upon which money is placed. Any fair
 5724 association which violates any such law or which knowingly
 5725 permits the violation of any such law is subject to forfeiture
 5726 of its charter; and if any citizen complains to the Bureau of
 5727 Prosecution of the Division of Licensing and Enforcement within
 5728 the Department of Gaming Control ~~Department of Legal Affairs~~
 5729 that the association was organized for or is being used as a
 5730 cover to evade any of the laws of Florida against crime, and
 5731 submits prima facie evidence to sustain the charge, the Bureau
 5732 of Prosecution ~~Department of Legal Affairs~~ shall institute, and
 5733 in due time prosecute to final judgment, such proceedings as may
 5734 be necessary to annul the charter and incorporation of the
 5735 association. A writ of injunction or other extraordinary process

5736 shall be issued by a court of competent jurisdiction on the
 5737 application of the Bureau of Prosecution ~~Department of Legal~~
 5738 ~~Affairs~~ on complaint pending the annulment proceeding and in aid
 5739 thereof, and the case shall be given precedence over all civil
 5740 cases pending in that court and shall be heard and disposed of
 5741 with as little delay as practicable.

5742 Section 97. Subsection (9) of section 616.241, Florida
 5743 Statutes, is amended to read:

5744 616.241 Trade standards for operation at public fairs and
 5745 expositions.--Trade standards for the operation of shows or
 5746 games in connection with public fairs and expositions are as
 5747 follows:

5748 (9) VIOLATIONS; REPORTING.--Florida law forbids lotteries,
 5749 gambling, raffles, and other games of chance at community,
 5750 county, district, state, regional, or interstate fairs and
 5751 specialized shows. Enforcement is the responsibility of the
 5752 Department of Gaming Control ~~local boards and authorities~~.

5753 Section 98. Section 849.086, Florida Statutes, is amended
 5754 to read:

5755 849.086 Cardrooms authorized.--

5756 (1) LEGISLATIVE INTENT.--It is the intent of the
 5757 Legislature to provide additional entertainment choices for the
 5758 residents of and visitors to the state, promote tourism in the
 5759 state, and provide additional state revenues through the
 5760 authorization of the playing of certain games in the state at
 5761 facilities known as cardrooms which are to be located at
 5762 licensed pari-mutuel facilities. To ensure the public confidence
 5763 in the integrity of authorized cardroom operations, this act is

5764 designed to strictly regulate the facilities, persons, and
 5765 procedures related to cardroom operations. Furthermore, the
 5766 Legislature finds that authorized games as herein defined are
 5767 considered to be pari-mutuel style games and not casino gaming
 5768 because the participants play against each other instead of
 5769 against the house.

5770 (2) DEFINITIONS.--As used in this section:

5771 (a) "Authorized game" means a game or series of games of
 5772 poker or dominoes which are played in a nonbanking manner.

5773 (b) "Banking game" means a game in which the house is a
 5774 participant in the game, taking on players, paying winners, and
 5775 collecting from losers or in which the cardroom establishes a
 5776 bank against which participants play.

5777 (c) "Cardroom" means a facility where authorized games are
 5778 played for money or anything of value and to which the public is
 5779 invited to participate in such games and charged a fee for
 5780 participation by the operator of such facility. Authorized games
 5781 and cardrooms do not constitute casino gaming operations.

5782 (d) "Cardroom management company" means any individual not
 5783 an employee of the cardroom operator, any proprietorship,
 5784 partnership, corporation, or other entity that enters into an
 5785 agreement with a cardroom operator to manage, operate, or
 5786 otherwise control the daily operation of a cardroom.

5787 (e) "Cardroom distributor" means any business that
 5788 distributes cardroom paraphernalia such as card tables, betting
 5789 chips, chip holders, dominoes, dominoes tables, drop boxes,
 5790 banking supplies, playing cards, card shufflers, and other
 5791 associated equipment to authorized cardrooms.

5792 (f) "Cardroom operator" means a licensed pari-mutuel
 5793 permitholder which holds a valid permit and license issued by
 5794 the bureau ~~division~~ pursuant to chapter 550 and which also holds
 5795 a valid cardroom license issued by the bureau ~~division~~ pursuant
 5796 to this section which authorizes such person to operate a
 5797 cardroom and to conduct authorized games in such cardroom.

5798 (g) "Division" means the Division of Gambling Oversight
 5799 ~~Pari-mutuel Wagering~~ of the Department of Gaming Control
 5800 ~~Business and Professional Regulation~~.

5801 (h) "Dominoes" means a game of dominoes typically played
 5802 with a set of 28 flat rectangular blocks, called "bones," which
 5803 are marked on one side and divided into two equal parts, with
 5804 zero to six dots, called "pips," in each part. The term also
 5805 includes larger sets of blocks that contain a correspondingly
 5806 higher number of pips. The term also means the set of blocks
 5807 used to play the game.

5808 (i) "Gross receipts" means the total amount of money
 5809 received by a cardroom from any person for participation in
 5810 authorized games.

5811 (j) "House" means the cardroom operator and all employees
 5812 of the cardroom operator.

5813 (k) "Net proceeds" means the total amount of gross
 5814 receipts received by a cardroom operator from cardroom
 5815 operations less direct operating expenses related to cardroom
 5816 operations, including labor costs, admission taxes only if a
 5817 separate admission fee is charged for entry to the cardroom
 5818 facility, gross receipts taxes imposed on cardroom operators by
 5819 this section, the annual cardroom license fees imposed by this

5820 section on each table operated at a cardroom, and reasonable
 5821 promotional costs excluding officer and director compensation,
 5822 interest on capital debt, legal fees, real estate taxes, bad
 5823 debts, contributions or donations, or overhead and depreciation
 5824 expenses not directly related to the operation of the cardrooms.

5825 (l) "Rake" means a set fee or percentage of the pot
 5826 assessed by a cardroom operator for providing the services of a
 5827 dealer, table, or location for playing the authorized game.

5828 (m) "Tournament" means a series of games that have more
 5829 than one betting round involving one or more tables and where
 5830 the winners or others receive a prize or cash award.

5831 (n) "Bureau" means the Bureau of Cardrooms within the
 5832 Division of Gambling Oversight of the Department of Gaming
 5833 Control.

5834 (3) CARDROOM AUTHORIZED.--Notwithstanding any other
 5835 provision of law, it is not a crime for a person to participate
 5836 in an authorized game at a licensed cardroom or to operate a
 5837 cardroom described in this section if such game and cardroom
 5838 operation are conducted strictly in accordance with the
 5839 provisions of this section.

5840 (4) AUTHORITY OF BUREAU DIVISION.--The Bureau ~~division~~ of
 5841 Cardrooms within the Division of Gambling Oversight ~~Pari-mutuel~~
 5842 ~~Wagering~~ of the Department of Gaming Control ~~Business and~~
 5843 ~~Professional Regulation~~ shall administer this section and
 5844 regulate the operation of cardrooms under this section and the
 5845 rules adopted pursuant thereto, and is hereby authorized to:

5846 (a) Adopt rules, including, but not limited to: the
 5847 issuance of cardroom and employee licenses for cardroom

5848 operations; the operation of a cardroom; recordkeeping and
 5849 reporting requirements; and the collection of all fees and taxes
 5850 imposed by this section.

5851 (b) Conduct investigations and monitor the operation of
 5852 cardrooms and the playing of authorized games therein.

5853 (c) Review the books, accounts, and records of any current
 5854 or former cardroom operator.

5855 (d) Suspend or revoke any license or permit, after
 5856 hearing, for any violation of the provisions of this section or
 5857 the administrative rules adopted pursuant thereto.

5858 (e) Take testimony, issue summons and subpoenas for any
 5859 witness, and issue subpoenas duces tecum in connection with any
 5860 matter within its jurisdiction.

5861 (f) Monitor and ensure the proper collection of taxes and
 5862 fees imposed by this section. Permitholder internal controls are
 5863 mandated to ensure no compromise of state funds. To that end, a
 5864 roaming bureau ~~division~~ auditor will monitor and verify the cash
 5865 flow and accounting of cardroom revenue for any given operating
 5866 day.

5867 (5) LICENSE REQUIRED; APPLICATION; FEES.--A ~~No~~ person may
 5868 not operate a cardroom in this state unless the ~~such~~ person
 5869 holds a valid cardroom license issued pursuant to this section.

5870 (a) Only those persons holding a valid cardroom license
 5871 issued by the bureau ~~division~~ may operate a cardroom. A cardroom
 5872 license may only be issued to a licensed pari-mutuel
 5873 permitholder and an authorized cardroom may only be operated at
 5874 the same facility at which the permitholder is authorized under
 5875 its valid pari-mutuel wagering permit to conduct pari-mutuel

HB 1385

2008

5876 | wagering activities.

5877 | (b) After the initial cardroom license is granted, the
5878 | application for the annual license renewal shall be made in
5879 | conjunction with the applicant's annual application for its
5880 | pari-mutuel license. If a permitholder has operated a cardroom
5881 | during any of the 3 previous fiscal years and fails to include a
5882 | renewal request for the operation of the cardroom in its annual
5883 | application for license renewal, the permitholder may amend its
5884 | annual application to include operation of the cardroom. In
5885 | order for a cardroom license to be renewed the applicant must
5886 | have requested, as part of its pari-mutuel annual license
5887 | application, to conduct at least 90 percent of the total number
5888 | of live performances conducted by such permitholder during
5889 | either the state fiscal year in which its initial cardroom
5890 | license was issued or the state fiscal year immediately prior
5891 | thereto. If the application is for a harness permitholder
5892 | cardroom, the applicant must have requested authorization to
5893 | conduct a minimum of 140 live performances during the state
5894 | fiscal year immediately prior thereto. If more than one
5895 | permitholder is operating at a facility, each permitholder must
5896 | have applied for a license to conduct a full schedule of live
5897 | racing.

5898 | (c) Persons seeking a license or a renewal thereof to
5899 | operate a cardroom shall make application on forms prescribed by
5900 | the bureau ~~division~~. Applications for cardroom licenses shall
5901 | contain all of the information the bureau ~~division~~, by rule, may
5902 | determine is required to ensure eligibility.

5903 | (d) The annual cardroom license fee for each facility

HB 1385

2008

5904 shall be \$1,000 for each table to be operated at the cardroom.
 5905 The license fee shall be deposited by the bureau ~~division~~ with
 5906 the Chief Financial Officer to the credit of the Pari-mutuel
 5907 Wagering Trust Fund.

5908 (6) BUSINESS AND EMPLOYEE OCCUPATIONAL LICENSE REQUIRED;
 5909 APPLICATION; FEES.--

5910 (a) A person employed or otherwise working in a cardroom
 5911 as a cardroom manager, floor supervisor, pit boss, dealer, or
 5912 any other activity related to cardroom operations while the
 5913 facility is conducting card playing or games of dominoes must
 5914 hold a valid cardroom employee occupational license issued by
 5915 the bureau ~~division~~. Food service, maintenance, and security
 5916 employees with a current pari-mutuel occupational license and a
 5917 current background check will not be required to have a cardroom
 5918 employee occupational license.

5919 (b) Any cardroom management company or cardroom
 5920 distributor associated with cardroom operations must hold a
 5921 valid cardroom business occupational license issued by the
 5922 bureau ~~division~~.

5923 (c) A ~~No~~ licensed cardroom operator may not employ or
 5924 allow to work in a cardroom any person unless the ~~such~~ person
 5925 holds a valid occupational license. No licensed cardroom
 5926 operator may contract, or otherwise do business with, a business
 5927 required to hold a valid cardroom business occupational license,
 5928 unless the business holds such a valid license.

5929 (d) The bureau ~~division~~ shall establish, by rule, a
 5930 schedule for the annual renewal of cardroom occupational
 5931 licenses. Cardroom occupational licenses are not transferable.

HB 1385

2008

5932 (e) Persons seeking cardroom occupational licenses, or
5933 renewal thereof, shall make application on forms prescribed by
5934 the bureau ~~division~~. Applications for cardroom occupational
5935 licenses shall contain all of the information the bureau
5936 ~~division~~, by rule, may determine is required to ensure
5937 eligibility.

5938 (f) The bureau ~~division~~ shall adopt ~~promulgate~~ rules
5939 regarding cardroom occupational licenses. The provisions
5940 specified in s. 550.105(4), (5), (6), (7), (8), and (10)
5941 relating to licensure shall be applicable to cardroom
5942 occupational licenses.

5943 (g) The bureau ~~division~~ may deny, declare ineligible, or
5944 revoke any cardroom occupational license if the applicant or
5945 holder thereof has been found guilty or had adjudication
5946 withheld in this state or any other state, or under the laws of
5947 the United States of a felony or misdemeanor involving forgery,
5948 larceny, extortion, conspiracy to defraud, or filing false
5949 reports to a government agency, racing or gaming commission or
5950 authority.

5951 (h) Fingerprints for all cardroom occupational license
5952 applications shall be taken in a manner approved by the bureau
5953 ~~division~~ and then shall be submitted to the ~~Florida~~ Department
5954 of Law Enforcement and the Federal Bureau of Investigation for a
5955 criminal records check upon initial application and every 5
5956 years thereafter. The bureau ~~division~~ may by rule require an
5957 annual record check of all renewal applications for a cardroom
5958 occupational license. The cost of processing fingerprints and
5959 conducting a record check shall be borne by the applicant.

5960 (i) The cardroom employee occupational license fee shall
 5961 be \$50. The cardroom business occupational license fee shall be
 5962 \$250.

5963 (7) CONDITIONS FOR OPERATING A CARDROOM.--

5964 (a) A cardroom may be operated only at the location
 5965 specified on the cardroom license issued by the bureau ~~division~~,
 5966 and such location may only be the location at which the pari-
 5967 mutuel permitholder is authorized to conduct pari-mutuel
 5968 wagering activities pursuant to such permitholder's valid pari-
 5969 mutuel permit or as otherwise authorized by law.

5970 (b) Any horserace, greyhound race, or jai alai
 5971 permitholder licensed under this section may operate a cardroom
 5972 at the pari-mutuel facility on any day for a cumulative amount
 5973 of 12 hours if the permitholder meets the requirements under
 5974 paragraph (5) (b).

5975 (c) A cardroom operator must at all times employ and
 5976 provide a nonplaying dealer for each table on which authorized
 5977 card games which traditionally use a dealer are conducted at the
 5978 cardroom. Such dealers may not have a participatory interest in
 5979 any game other than the dealing of cards and may not have an
 5980 interest in the outcome of the game. The providing of such
 5981 dealers by a licensee does not constitute the conducting of a
 5982 banking game by the cardroom operator.

5983 (d) A cardroom operator may award giveaways, jackpots, and
 5984 prizes to a player who holds certain combinations of cards
 5985 specified by the cardroom operator.

5986 (e) Each cardroom operator shall conspicuously post upon
 5987 the premises of the cardroom a notice which contains a copy of

5988 the cardroom license; a list of authorized games offered by the
 5989 cardroom; the wagering limits imposed by the house, if any; any
 5990 additional house rules regarding operation of the cardroom or
 5991 the playing of any game; and all costs to players to
 5992 participate, including any rake by the house. In addition, each
 5993 cardroom operator shall post at each table a notice of the
 5994 minimum and maximum bets authorized at such table and the fee
 5995 for participation in the game conducted.

5996 (f) The cardroom facility is subject to inspection by the
 5997 bureau ~~division~~ or any law enforcement agency during the
 5998 licensee's regular business hours. The inspection must
 5999 specifically include the permitholder internal control
 6000 procedures approved by the bureau ~~division~~.

6001 (g) A cardroom operator may refuse entry to or refuse to
 6002 allow any person who is objectionable, undesirable, or
 6003 disruptive to play, but such refusal may not be on the basis of
 6004 race, creed, color, religion, gender, national origin, marital
 6005 status, physical handicap, or age, except as provided in this
 6006 section.

6007 (8) METHOD OF WAGERS; LIMITATION.--

6008 (a) No wagering may be conducted using money or other
 6009 negotiable currency. Games may only be played utilizing a
 6010 wagering system whereby all players' money is first converted by
 6011 the house to tokens or chips which shall be used for wagering
 6012 only at that specific cardroom.

6013 (b) The cardroom operator may limit the amount wagered in
 6014 any game or series of games, but the maximum bet may not exceed
 6015 \$5 in value. There may not be more than three raises in any

HB 1385

2008

6016 round of betting. The fee charged by the cardroom for
6017 participation in the game shall not be included in the
6018 calculation of the limitation on the bet amount provided in this
6019 paragraph. However, a cardroom operator may conduct games of
6020 Texas Hold-em without a betting limit if the required player
6021 buy-in is no more than \$100.

6022 (c) A tournament shall consist of a series of games. The
6023 entry fee for a tournament, including any re-buys, may not
6024 exceed the maximum amount that could be wagered by a participant
6025 in 10 like-kind, nontournament games under paragraph (b).
6026 Tournaments may be played only with tournament chips that are
6027 provided to all participants in exchange for an entry fee and
6028 any subsequent re-buys. All players must receive an equal number
6029 of tournament chips for their entry fee. Tournament chips have
6030 no cash value and represent tournament points only. There is no
6031 limitation on the number of tournament chips that may be used
6032 for a bet except as otherwise determined by the cardroom
6033 operator. Tournament chips may never be redeemed for cash or for
6034 any other thing of value. The distribution of prizes and cash
6035 awards must be determined by the cardroom operator before entry
6036 fees are accepted. For purposes of tournament play only, the
6037 term "gross receipts" means the total amount received by the
6038 cardroom operator for all entry fees, player re-buys, and fees
6039 for participating in the tournament less the total amount paid
6040 to the winners or others as prizes.

6041 (9) BOND REQUIRED.--The holder of a cardroom license shall
6042 be financially and otherwise responsible for the operation of
6043 the cardroom and for the conduct of any manager, dealer, or

6044 other employee involved in the operation of the cardroom. Before
 6045 ~~Prior to~~ the issuance of a cardroom license, each applicant for
 6046 such license shall provide evidence of a surety bond in the
 6047 amount of \$50,000, payable to the state, furnished by a
 6048 corporate surety authorized to do business in the state or
 6049 evidence that the licensee's pari-mutuel bond required by s.
 6050 550.125 has been expanded to include the applicant's cardroom
 6051 operation. The bond shall guarantee that the cardroom operator
 6052 will redeem, for cash, all tokens or chips used in games. Such
 6053 bond shall be kept in full force and effect by the operator
 6054 during the term of the license.

6055 (10) FEE FOR PARTICIPATION.--The cardroom operator may
 6056 charge a fee for the right to participate in games conducted at
 6057 the cardroom. Such fee may be either a flat fee or hourly rate
 6058 for the use of a seat at a table or a rake subject to the posted
 6059 maximum amount but may not be based on the amount won by
 6060 players. The rake-off, if any, must be made in an obvious manner
 6061 and placed in a designated rake area which is clearly visible to
 6062 all players. Notice of the amount of the participation fee
 6063 charged shall be posted in a conspicuous place in the cardroom
 6064 and at each table at all times.

6065 (11) RECORDS AND REPORTS.--

6066 (a) Each licensee operating a cardroom shall keep and
 6067 maintain permanent daily records of its cardroom operation and
 6068 shall maintain such records for a period of not less than 3
 6069 years. These records shall include all financial transactions
 6070 and contain sufficient detail to determine compliance with the
 6071 requirements of this section. All records shall be available for

6072 audit and inspection by the bureau ~~division~~ or other law
 6073 enforcement agencies during the licensee's regular business
 6074 hours. The information required in such records shall be
 6075 determined by bureau ~~division~~ rule.

6076 (b) Each licensee operating a cardroom shall file with the
 6077 bureau ~~division~~ a report containing the required records of such
 6078 cardroom operation. Such report shall be filed monthly by
 6079 licensees. The required reports shall be submitted on forms
 6080 prescribed by the bureau ~~division~~ and shall be due at the same
 6081 time as the monthly pari-mutuel reports are due to the bureau
 6082 ~~division~~, and such reports shall contain any additional
 6083 information deemed necessary by the bureau ~~division~~, and the
 6084 reports shall be deemed public records once filed.

6085 (12) PROHIBITED ACTIVITIES.--

6086 (a) A ~~No~~ person licensed to operate a cardroom may not
 6087 conduct any banking game or any game not specifically authorized
 6088 by this section.

6089 (b) A ~~No~~ person younger than ~~under~~ 18 years of age may not
 6090 ~~be permitted to~~ hold a cardroom or employee license, or engage
 6091 in any game conducted therein.

6092 (c) ~~No~~ Electronic or mechanical devices, except mechanical
 6093 card shufflers, may not be used to conduct any authorized game
 6094 in a cardroom.

6095 (d) ~~No~~ Cards, game components, or game implements may not
 6096 be used in playing an authorized game unless such has been
 6097 furnished or provided to the players by the cardroom operator.

6098 (13) TAXES AND OTHER PAYMENTS.--

6099 (a) Each cardroom operator shall pay a tax to the state of

6100 10 percent of the cardroom operation's monthly gross receipts.

6101 (b) An admission tax equal to 15 percent of the admission
 6102 charge for entrance to the licensee's cardroom facility, or 10
 6103 cents, whichever is greater, is imposed on each person entering
 6104 the cardroom. This admission tax shall apply only if a separate
 6105 admission fee is charged for entry to the cardroom facility. If
 6106 a single admission fee is charged which authorizes entry to both
 6107 or either the pari-mutuel facility and the cardroom facility,
 6108 the admission tax shall be payable only once and shall be
 6109 payable pursuant to chapter 550. The cardroom licensee shall be
 6110 responsible for collecting the admission tax. An admission tax
 6111 is imposed on any free passes or complimentary cards issued to
 6112 guests by licensees in an amount equal to the tax imposed on the
 6113 regular and usual admission charge for entrance to the
 6114 licensee's cardroom facility. A cardroom licensee may issue tax-
 6115 free passes to its officers, officials, and employees or other
 6116 persons actually engaged in working at the cardroom, including
 6117 accredited press representatives such as reporters and editors,
 6118 and may also issue tax-free passes to other cardroom licensees
 6119 for the use of their officers and officials. The licensee shall
 6120 file with the bureau ~~division~~ a list of all persons to whom tax-
 6121 free passes are issued.

6122 (c) Payment of the admission tax and gross receipts tax
 6123 imposed by this section shall be paid to the bureau ~~division~~.
 6124 The bureau ~~division~~ shall deposit these sums with the Chief
 6125 Financial Officer, one-half being credited to the Pari-mutuel
 6126 Wagering Trust Fund and one-half being credited to the General
 6127 Revenue Fund. The cardroom licensee shall remit to the bureau

HB 1385

2008

6128 ~~division~~ payment for the admission tax, the gross receipts tax,
6129 and the licensee fees. Such payments shall be remitted to the
6130 bureau ~~division~~ on the fifth day of each calendar month for
6131 taxes and fees imposed for the preceding month's cardroom
6132 activities. Licensees shall file a report under oath by the
6133 fifth day of each calendar month for all taxes remitted during
6134 the preceding calendar month. Such report shall, under oath,
6135 indicate the total of all admissions, the cardroom activities
6136 for the preceding calendar month, and such other information as
6137 may be prescribed by the bureau ~~division~~.

6138 (d) Each greyhound and jai alai permitholder that operates
6139 a cardroom facility shall use at least 4 percent of such
6140 permitholder's cardroom monthly gross receipts to supplement
6141 greyhound purses or jai alai prize money, respectively, during
6142 the permitholder's next ensuing pari-mutuel meet. Each
6143 thoroughbred and harness horse racing permitholder that operates
6144 a cardroom facility shall use at least 50 percent of such
6145 permitholder's cardroom monthly net proceeds as follows: 47
6146 percent to supplement purses and 3 percent to supplement
6147 breeders' awards during the permitholder's next ensuing racing
6148 meet.

6149 (e) The failure of any licensee to make payments as
6150 prescribed in paragraph (c) is a violation of this section, and
6151 the licensee may be subjected by the bureau ~~division~~ to a civil
6152 penalty of up to \$1,000 for each day the tax payment is not
6153 remitted. All penalties imposed and collected shall be deposited
6154 in the General Revenue Fund. If a licensee fails to pay
6155 penalties imposed by order of the bureau ~~division~~ under this

HB 1385

2008

6156 subsection, the bureau ~~division~~ may suspend or revoke the
 6157 license of the cardroom operator or deny issuance of any further
 6158 license to the cardroom operator.

6159 (f) The cardroom shall be deemed an accessory use to a
 6160 licensed pari-mutuel operation and, except as provided in
 6161 chapter 550, a municipality, county, or political subdivision
 6162 may not assess or collect any additional license tax, sales tax,
 6163 or excise tax on such cardroom operation.

6164 (g) All of the moneys deposited in the Pari-mutuel
 6165 Wagering Trust Fund, except as set forth in paragraph (h), shall
 6166 be utilized and distributed in the manner specified in s.
 6167 550.135(1) and (2). However, cardroom tax revenues shall be kept
 6168 separate from pari-mutuel tax revenues and shall not be used for
 6169 making the disbursement to counties provided in former s.
 6170 550.135(1).

6171 (h) One-quarter of the moneys deposited into the Pari-
 6172 mutuel Wagering Trust Fund pursuant to paragraph (g) shall, by
 6173 October 1 of each year, be distributed to the local government
 6174 that approved the cardroom under subsection (16); however, if
 6175 two or more pari-mutuel racetracks are located within the same
 6176 incorporated municipality, the cardroom funds shall be
 6177 distributed to the municipality. If a pari-mutuel facility is
 6178 situated in such a manner that it is located in more than one
 6179 county, the site of the cardroom facility shall determine the
 6180 location for purposes of disbursement of tax revenues under this
 6181 paragraph. The bureau ~~division~~ shall, by September 1 of each
 6182 year, determine: the amount of taxes deposited into the Pari-
 6183 mutuel Wagering Trust Fund pursuant to this section from each

6184 cardroom licensee; the location by county of each cardroom;
 6185 whether the cardroom is located in the unincorporated area of
 6186 the county or within an incorporated municipality; and, the
 6187 total amount to be distributed to each eligible county and
 6188 municipality.

6189 (14) SUSPENSION, REVOCATION, OR DENIAL OF LICENSE; FINE.--

6190 (a) The bureau ~~division~~ may deny a license or the renewal
 6191 thereof, or may suspend or revoke any license, when the
 6192 applicant has: violated or failed to comply with the provisions
 6193 of this section or any rules adopted pursuant thereto; knowingly
 6194 caused, aided, abetted, or conspired with another to cause any
 6195 person to violate this section or any rules adopted pursuant
 6196 thereto; or obtained a license or permit by fraud,
 6197 misrepresentation, or concealment; or if the holder of such
 6198 license or permit is no longer eligible under this section.

6199 (b) If a pari-mutuel permitholder's pari-mutuel permit or
 6200 license is suspended or revoked by the bureau ~~division~~ pursuant
 6201 to chapter 550, the bureau ~~division~~ may, but is not required to,
 6202 suspend or revoke such permitholder's cardroom license. If a
 6203 cardroom operator's license is suspended or revoked pursuant to
 6204 this section, the bureau ~~division~~ may, but is not required to,
 6205 suspend or revoke such licensee's pari-mutuel permit or license.

6206 (c) Notwithstanding any other provision of this section,
 6207 the bureau ~~division~~ may impose an administrative fine not to
 6208 exceed \$1,000 for each violation against any person who has
 6209 violated or failed to comply with the provisions of this section
 6210 or any rules adopted pursuant thereto.

6211 (15) CRIMINAL PENALTY; INJUNCTION.--

6212 (a)1. Any person who operates a cardroom without a valid
 6213 license issued as provided in this section commits a felony of
 6214 the third degree, punishable as provided in s. 775.082, s.
 6215 775.083, or s. 775.084.

6216 2. Any licensee or permitholder who violates any provision
 6217 of this section commits a misdemeanor of the first degree,
 6218 punishable as provided in s. 775.082 or s. 775.083. Any licensee
 6219 or permitholder who commits a second or subsequent violation of
 6220 the same paragraph or subsection within a period of 3 years from
 6221 the date of a prior conviction for a violation of such paragraph
 6222 or subsection commits a felony of the third degree, punishable
 6223 as provided in s. 775.082, s. 775.083, or s. 775.084.

6224 (b) The bureau ~~division~~, any state attorney, the statewide
 6225 prosecutor, or the Attorney General may apply for a temporary or
 6226 permanent injunction restraining further violation of this
 6227 section, and such injunction shall issue without bond.

6228 (16) LOCAL GOVERNMENT APPROVAL.--The bureau ~~division~~ of
 6229 Pari-mutuel Wagering may ~~shall~~ not issue any initial license
 6230 under this section except upon proof in such form as the bureau
 6231 ~~division~~ may prescribe that the local government where the
 6232 applicant for such license desires to conduct cardroom gaming
 6233 has voted to approve such activity by a majority vote of the
 6234 governing body of the municipality or the governing body of the
 6235 county if the facility is not located in a municipality.

6236 (17) CHANGE OF LOCATION; REFERENDUM.--

6237 (a) Notwithstanding any provisions of this section, no
 6238 cardroom gaming license issued under this section shall be
 6239 transferred, or reissued when such reissuance is in the nature

HB 1385

2008

6240 of a transfer, so as to permit or authorize a licensee to change
 6241 the location of the cardroom except upon proof in such form as
 6242 the bureau ~~division~~ may prescribe that a referendum election has
 6243 been held:

6244 1. If the proposed new location is within the same county
 6245 as the already licensed location, in the county where the
 6246 licensee desires to conduct cardroom gaming and that a majority
 6247 of the electors voting on the question in such election voted in
 6248 favor of the transfer of such license. However, the bureau
 6249 ~~division~~ shall transfer, without requirement of a referendum
 6250 election, the cardroom license of any permit holder that
 6251 relocated its permit pursuant to s. 550.0555.

6252 2. If the proposed new location is not within the same
 6253 county as the already licensed location, in the county where the
 6254 licensee desires to conduct cardroom gaming and that a majority
 6255 of the electors voting on that question in each such election
 6256 voted in favor of the transfer of such license.

6257 (b) The expense of each referendum held under the
 6258 provisions of this subsection shall be borne by the licensee
 6259 requesting the transfer.

6260 Section 99. Subsection (10) of section 849.094, Florida
 6261 Statutes, is amended to read:

6262 849.094 Game promotion in connection with sale of consumer
 6263 products or services.--

6264 (10) This section does not apply to actions or
 6265 transactions regulated by the Department of Gaming Control
 6266 ~~Business and Professional Regulation~~ or to the activities of
 6267 nonprofit organizations or to any other organization engaged in

6268 any enterprise other than the sale of consumer products or
 6269 services. Subsections (3), (4), (5), (6), and (7) and paragraph
 6270 (8) (a) and any of the rules made pursuant thereto do not apply
 6271 to television or radio broadcasting companies licensed by the
 6272 Federal Communications Commission.

6273 Section 100. Section 849.161, Florida Statutes, is amended
 6274 to read:

6275 849.161 Amusement games or machines; when chapter
 6276 inapplicable.--

6277 (1) (a) ~~1. Nothing contained in This chapter does not apply~~
 6278 ~~shall be taken or construed as applicable~~ to an arcade amusement
 6279 center or any retail dealer who operates as a truck stop,
 6280 operates a minimum of six functional diesel fuel pumps, and has
 6281 ~~having~~ amusement games or machines that ~~which~~ operate by means
 6282 of the insertion of a coin or other currency and that ~~which~~ by
 6283 application of skill ~~may~~ entitle the person playing or operating
 6284 the game or machine to receive points or coupons that ~~which~~ may
 6285 be exchanged for merchandise limited to noncash prizes, toys,
 6286 novelties, and Florida lottery products ~~only~~, excluding cash and
 6287 alcoholic beverages, provided the cost value of the merchandise
 6288 or prize awarded in exchange for such points or coupons does not
 6289 exceed 75 cents on any game played.

6290 ~~2. Nothing contained in this chapter shall be taken or~~
 6291 ~~construed as applicable to any retail dealer who operates as a~~
 6292 ~~truck stop, as defined in chapter 336 and which operates a~~
 6293 ~~minimum of 6 functional diesel fuel pumps, having amusement~~
 6294 ~~games or machines which operate by means of the insertion of a~~
 6295 ~~coin or other currency and which by application of skill may~~

HB 1385

2008

6296 ~~entitle the person playing or operating the game or machine to~~
6297 ~~receive points or coupons which may be exchanged for merchandise~~
6298 ~~limited to noncash prizes, toys, novelties, and Florida Lottery~~
6299 ~~products, excluding alcoholic beverages, provided the cost value~~
6300 ~~of the merchandise or prize awarded in exchange for such points~~
6301 ~~or coupons does not exceed 75 cents on any game played. This~~
6302 paragraph ~~subparagraph~~ applies only to games and machines that
6303 ~~which~~ are operated for the entertainment of the general public
6304 and tourists as bona fide amusement games or machines. This
6305 subsection does ~~shall~~ not apply, however, to any game or device
6306 defined as a gambling device in 24 U.S.C. s. 1171, which
6307 requires identification of each device by permanently affixing
6308 seriatim numbering and name, trade name, and date of manufacture
6309 under s. 1173, and registration with the United States Attorney
6310 General, unless excluded from applicability of the chapter under
6311 s. 1178. This subsection does ~~shall not be construed to~~
6312 authorize video poker games or any other game or machine that
6313 may be construed as a gambling device under Florida law.

6314 (b) ~~Nothing in~~ This subsection does not apply ~~shall be~~
6315 ~~taken or construed as applicable~~ to a coin-operated game or
6316 device designed and manufactured only for bona fide amusement
6317 purposes which game or device may by application of skill
6318 entitle the player to replay the game or device at no additional
6319 cost, if the game or device: can accumulate and react to no more
6320 than 15 free replays; can be discharged of accumulated free
6321 replays only by reactivating the game or device for one
6322 additional play for such accumulated free replay; can make no
6323 permanent record, directly or indirectly, of free replays; and

6324 is not classified by the United States as a gambling device in
 6325 24 U.S.C. s. 1171, which requires identification of each device
 6326 by permanently affixing seriatim numbering and name, trade name,
 6327 and date of manufacture under s. 1173, and registration with the
 6328 United States Attorney General, unless excluded from
 6329 applicability of the chapter under s. 1178. This subsection does
 6330 ~~shall not be construed to~~ authorize video poker games, or any
 6331 other game or machine that may be construed as a gambling device
 6332 under Florida law.

6333 (2) As used in this section, the term:

6334 (a) "Arcade amusement center" as used in this section
 6335 means a place of business licensed by the department having at
 6336 least 50 coin-operated amusement games or machines on premises
 6337 which are operated for the entertainment of the general public
 6338 and tourists as a bona fide amusement facility.

6339 (b) "Application of skill" means that the playing public
 6340 may attain, through the exercise of skill or judgment, a better
 6341 measure of success in playing the game than could be
 6342 mathematically expected on the basis of random chance alone.

6343 (c) "Department" means the Department of Gaming Control.

6344 (3) The department shall adopt, pursuant to ss. 120.536(1)
 6345 and 120.54, all rules necessary to implement, administer, and
 6346 regulate skill-based gaming as authorized in this section. Such
 6347 rules must include:

6348 (a) Technical requirements, qualifications, and procedures
 6349 necessary to receive a skill-based gaming license.

6350 (b) Procedures to scientifically test and technically
 6351 evaluate skill-based machines for compliance with this section.

6352 The department may contract with an independent testing
 6353 laboratory to conduct any necessary testing under this section.
 6354 The independent testing laboratory must have a national
 6355 reputation for testing skill-based machines, and be demonstrably
 6356 competent and qualified to scientifically test and evaluate
 6357 skill-based machines for compliance with this section and to
 6358 otherwise perform the functions assigned to it in this section.
 6359 A licensee may not own or control an independent testing
 6360 laboratory. The use of an independent testing laboratory for any
 6361 purpose related to the conduct of skill-based gaming by a
 6362 licensee shall be made from a list of one or more laboratories
 6363 approved by the department.

6364 (c) Procedures relating to machine revenues, including
 6365 verifying and accounting for such revenues, auditing, and
 6366 collecting taxes and fees consistent with this section.

6367 (d) Procedures for regulating, managing, and auditing the
 6368 operation, financial data, and program information relating to
 6369 skill-based machine gaming which allow the department to audit
 6370 the operation, financial data, and program information of a
 6371 licensee, as required by the department, and provide the
 6372 department with the ability to monitor, at any time on a real-
 6373 time basis, wagering patterns, payouts, tax collection, and
 6374 compliance with any rules adopted by the department for the
 6375 regulation and control of machines operated under this section.

6376 (e) Procedures for requiring licensees to maintain
 6377 specified records and submit any data, information, record, or
 6378 report, including financial and income records, required by this
 6379 section or determined by the department to be necessary to the

6380 proper implementation and enforcement of this section.

6381 (f) Minimum standards for security of the facilities.

6382 (4) The department shall conduct such investigations
 6383 necessary to fulfill its responsibilities under the provisions
 6384 of this section.

6385 (5) The department and local law enforcement agencies
 6386 shall have concurrent jurisdiction to investigate criminal
 6387 violations of this section and may investigate any other
 6388 criminal violation of law occurring at the facilities of a
 6389 licensee, and such investigations may be conducted in
 6390 conjunction with the appropriate state attorney.

6391 (6) (a) The department and local law enforcement agencies
 6392 shall have unrestricted access to a licensee's facility at all
 6393 times and shall require of each licensee strict compliance with
 6394 the laws of this state relating to the transaction of such
 6395 business. The department and local law enforcement agencies may:

6396 1. Inspect and examine premises where skill-based machines
 6397 are offered for play.

6398 2. Inspect skill-based machines and related equipment and
 6399 supplies.

6400 (b) In addition, the department may:

6401 1. Collect taxes, assessments, fees, and penalties.

6402 2. Deny, revoke, suspend, or place conditions on the
 6403 license of a person who violates any provision of this section
 6404 or rule adopted pursuant thereto.

6405 3. Revoke or suspend the license of any person who is no
 6406 longer qualified or who is found, after receiving a license, to
 6407 have been unqualified at the time of application for the

6408 license.

6409 (7) This section does not:

6410 (a) Prohibit the department or any law enforcement

6411 authority from conducting investigations of criminal activities

6412 occurring at the facility of a licensee;

6413 (b) Restrict access to the licensee's facility by the

6414 department or any law enforcement authority; or

6415 (c) Restrict access by the department or law enforcement

6416 authorities to information and records necessary to the

6417 investigation of criminal activity which are contained within

6418 the licensee's facility.

6419 (8) (a) Upon submission of the initial application for a

6420 license as a skill-based machine operator and annually

6421 thereafter, on the anniversary date of the issuance of the

6422 initial license, the operator shall pay to the Division of

6423 Licensing and Enforcement a nonrefundable license fee to be

6424 determined by the division for the following 12 months of

6425 licensure. The license fee shall be deposited into the Pari-

6426 mutuel Wagering Trust Fund of the department to be used for

6427 investigations, regulation of the machines, and enforcement of

6428 this section. These payments shall be accounted for separately

6429 from taxes or fees paid pursuant to chapters 550 and 551.

6430 (b) Before January 1, 2009, the Division of Licensing and

6431 Enforcement shall evaluate the license fee and shall make

6432 recommendations to the President of the Senate and the Speaker

6433 of the House of Representatives regarding the optimum level of

6434 operator license fees in order to adequately support the

6435 regulatory program.

6436 (9) (a) The tax rate on skill-based machine revenues at
6437 each facility shall be 15 percent.

6438 (b) The tax imposed by this section shall be paid to the
6439 department for deposit into the Florida Gaming Trust Fund and
6440 subject to annual appropriation by the Legislature.

6441 (10) The licensee shall remit to the Division of Licensing
6442 and Enforcement payment for the tax on skill-based machine
6443 revenues. Such payments shall be remitted by 3 p.m. Wednesday of
6444 each week for taxes imposed and collected for the preceding week
6445 ending on Sunday. The operator shall file a report under oath by
6446 the 5th day of each calendar month for all taxes remitted during
6447 the preceding calendar month. Such payments shall be accompanied
6448 by a report under oath showing all machine activities for the
6449 preceding calendar month and such other information as may be
6450 prescribed by the Division of Licensing and Enforcement.

6451 (11) An operator who fails to make tax payments as
6452 required under this section is subject to an administrative
6453 penalty of up to \$10,000 for each day the tax payment is not
6454 remitted. All administrative penalties imposed and collected
6455 shall be deposited into the Florida Gaming Trust Fund. If any
6456 licensee fails to pay penalties imposed by order of the Division
6457 of Licensing and Enforcement under this subsection, the division
6458 may suspend, revoke, or refuse to renew the license of the
6459 licensee.

6460 (12) The Division of Licensing and Enforcement may require
6461 operators to remit taxes, fees, fines, and assessments by
6462 electronic funds transfer.

6463 Section 101. Subsection (7) of section 943.0311, Florida
6464 Statutes, is amended to read:

6465 943.0311 Chief of Domestic Security; duties of the
6466 department with respect to domestic security.--

6467 (7) As used in this section, the term "state agency"
6468 includes the Agency for Health Care Administration, the Agency
6469 for Workforce Innovation, the Department of Agriculture and
6470 Consumer Services, the Department of Business and Professional
6471 Regulation, the Department of Children and Family Services, the
6472 Department of Citrus, the Department of Community Affairs, the
6473 Department of Corrections, the Department of Education, the
6474 Department of Elderly Affairs, the Department of Environmental
6475 Protection, the Department of Financial Services, the Department
6476 of Health, the Department of Highway Safety and Motor Vehicles,
6477 the Department of Juvenile Justice, the Department of Law
6478 Enforcement, the Department of Legal Affairs, the Department of
6479 Management Services, the Department of Military Affairs, the
6480 Department of Revenue, the Department of State, the Department
6481 of Gaming Control ~~the Lottery~~, the Department of Transportation,
6482 the Department of Veterans' Affairs, the Fish and Wildlife
6483 Conservation Commission, the Parole Commission, the State Board
6484 of Administration, and the Executive Office of the Governor.

6485 Section 102. This act shall take effect July 1, 2008, if
6486 HB 1387, or similar legislation creating the Florida Gaming
6487 Trust Fund, is adopted in the same legislative session or an
6488 extension thereof and becomes law.