

By Senator Geller

31-00162-08

2008290__

1 A bill to be entitled
2 An act relating to electronic gaming machines; amending s.
3 24.103, F.S.; providing definitions; amending s. 24.105,
4 F.S.; providing powers and duties of the Department of the
5 Lottery pertaining to video lottery games; creating s.
6 24.125, F.S.; providing for the adoption of rules;
7 creating s. 24.126, F.S.; prohibiting certain persons from
8 playing video lottery games; creating s. 24.127, F.S.;
9 providing requirements for the operation of video lottery
10 games; providing for fines and orders of suspension;
11 providing for a license fee; providing for the
12 distribution of income; providing for weekly allocations
13 of income derived from video lottery operations; providing
14 penalties; creating s. 24.128, F.S.; providing for the
15 licensure of video lottery terminal vendors; providing for
16 emergency rules; creating s. 24.129, F.S.; prohibiting
17 certain local zoning ordinances; creating s. 24.130, F.S.;
18 providing requirements for video lottery terminals;
19 creating s. 24.131, F.S.; requiring video lottery terminal
20 vendors to establish training programs for employees who
21 service such terminals; requiring departmental approval of
22 such programs; providing certification requirements for
23 such employees; providing for the adoption of rules;
24 creating s. 24.132, F.S.; requiring video lottery
25 retailers to execute certain agreements governing the
26 payment of purses and special thoroughbred racing awards;
27 requiring the remittance of funds pursuant to such
28 agreements; authorizing the department to sanction certain
29 breeders; prohibiting the operation of video lottery games

31-00162-08

2008290__

30 in the absence of agreements; requiring arbitration if
31 agreements are not in place; requiring the video lottery
32 retailer to make certain payments for the promotion of the
33 racing industry; creating s. 24.133, F.S.; requiring
34 operators of facilities where video lottery games are
35 conducted to post certain signs regarding compulsive
36 gambling; creating s. 24.134, F.S.; providing for
37 compulsive gambling prevention programs; creating s.
38 24.136, F.S.; authorizing a caterer's license for video
39 lottery retailers; creating s. 24.137, F.S.; prohibiting
40 video lottery retailers from engaging in certain
41 activities; creating s. 24.138, F.S.; providing for the
42 exclusion of certain persons from a retailer's premises;
43 creating s. 24.139, F.S.; requiring retailers to provide
44 office space for department employees; amending s. 212.02,
45 F.S.; excluding video lottery terminals from the
46 definition of the term "coin-operated amusement machine"
47 for purposes of the sales and use tax; amending s.
48 551.106, F.S.; providing for tax credits on slot machine
49 revenues; providing an appropriation and authorizing
50 additional positions; providing effective dates.

51
52 Be It Enacted by the Legislature of the State of Florida:

53
54 Section 1. Subsections (7), (8), (9), (10), and (11) are
55 added to section 24.103, Florida Statutes, to read:

56 24.103 Definitions.--As used in this act:

57 (7) "Video lottery game" means an electronically simulated
58 game involving any element of chance, skill, or both, played on a

31-00162-08

2008290__

59 video lottery terminal that, upon insertion of currency, coins,
60 tokens, credits, vouchers, or anything of value, is available to
61 play or simulate a lottery-type game. The games include, but are
62 not limited to, lineup games, traditional card games, poker, and
63 progressive games where the jackpot grows and accumulates as it
64 is being played in a video lottery terminal, or network of video
65 lottery terminals, using a cathode ray tube, video display
66 screen, microprocessors, or other similar technology available
67 now or in the future, as approved by the department. A player may
68 receive a payoff in the form of currency, coins, tokens, credits,
69 vouchers, or anything of value, automatically or in some other
70 manner.

71 (8) "Video lottery terminal" means a machine or device,
72 including associated equipment that is required to operate the
73 machine or device upon which a video lottery game is played or
74 operated. A video lottery terminal may use spinning reels or
75 video displays or other similar technology available now or in
76 the future, as approved by the department. A video lottery
77 terminal is not a coin-operated amusement machine as defined in
78 s. 212.02 and does not include an amusement game or machine as
79 described in s. 849.161.

80 (9) "Video lottery terminal vendor" means any person
81 licensed by the department who is in the business of selling,
82 leasing, servicing, repairing, or upgrading video lottery
83 terminals for video lottery retailers or who provides to the
84 department or to a video lottery retailer computer equipment,
85 software, or other functions related to video lottery terminals.

86 (10) "Net terminal income" means currency and other
87 consideration placed into a video lottery terminal, less payouts

31-00162-08

2008290__

88 to or credits redeemed by players.

89 (11) "Video lottery retailer" means a pari-mutuel
90 permitholder under chapter 550 who holds a license to conduct a
91 full schedule of live races or games, as described in s.
92 550.002(11), between July 1, 2008, and June 30, 2009, or a person
93 who is authorized to receive broadcasts of horseraces under s.
94 550.6308.

95 Section 2. Subsections (21), (22), (23), (24), (25), (26),
96 and (27) are added to section 24.105, Florida Statutes, to read:

97 24.105 Powers and duties of department.--The department
98 shall:

99 (21) Have the capacity to support video lottery games at
100 facilities of video lottery retailers by January 1, 2009.

101 (22) Hear and decide promptly and in reasonable order all
102 video-lottery-related license applications and enforcement
103 proceedings for suspension or revocation of licenses.

104 (23) Collect and disburse video lottery revenue due the
105 department as described in this chapter.

106 (24) Certify net terminal income of video lottery retailers
107 by inspecting records, conducting audits, or any other reasonable
108 means.

109 (25) Maintain a list of licensed video lottery terminal
110 vendors and a current list of all contracts between video lottery
111 terminal vendors and video lottery retailers.

112 (26) Approve an application for a video lottery retailer
113 within 90 days after receipt of the application. A person meets
114 all qualifications of licensure under this section if the person
115 has been licensed under chapter 550 and meets the definition of a
116 video lottery retailer under s. 24.103(11).

31-00162-08

2008290__

117 (27) Adopt procedures by rule for scientifically testing
118 and technically evaluating video lottery terminals for compliance
119 with this chapter. The department may contract with an
120 independent testing laboratory to scientifically test and
121 technically evaluate video lottery games, video lottery
122 terminals, and video lottery operating systems for compliance
123 with this chapter. The independent testing laboratory must have a
124 national reputation as demonstrably competent and qualified to
125 scientifically test and evaluate all components of a video
126 lottery gaming system and to otherwise perform all functions
127 assigned to it under this chapter. The laboratory may not be
128 owned or controlled by a video lottery terminal vendor or video
129 lottery terminal retailer. The selection of an independent
130 testing laboratory shall be made from a list of one or more
131 laboratories approved and licensed by the department.

132 Section 3. Section 24.125, Florida Statutes, is created to
133 read:

134 24.125 Rules authorized.--

135 (1) The department may adopt rules similar to rules adopted
136 under chapter 551, relating to:

137 (a) The regulation of video lottery retailers, video
138 lottery terminal vendors, video lottery games, and video lottery
139 products.

140 (b) Specifications for approving and authorizing video
141 lottery terminals in order to maintain the integrity of video
142 lottery games and terminals. The specifications may not limit the
143 number of video lottery terminal vendors who supply terminals to
144 fewer than four.

145 (c) Hearing and approving or disapproving video lottery-

31-00162-08

2008290__

146 related license applications, and enforcement procedures related
147 to the suspension and revocation of licenses.

148 (d) The collection and disbursement of video lottery
149 revenue.

150 (e) The certification of net terminal income of video
151 lottery retailers.

152 (2) Initial rules to permit the operation of video
153 lotteries and the licensing of video lottery vendors shall be
154 adopted by January 1, 2009. The department may adopt emergency
155 rules under ss. 120.536(1) and 120.54(4) to administer this
156 section.

157 Section 4. Section 24.126, Florida Statutes, is created to
158 read:

159 24.126 Video lottery; minimum age.--

160 (1) A person who is younger than 21 years of age may not
161 play a video lottery game.

162 (2) Each video lottery retailer shall post a clear and
163 conspicuous sign on all video lottery terminals which states:

164
165 THE USE OF A VIDEO LOTTERY TERMINAL BY PERSONS UNDER THE
166 AGE OF 21 IS AGAINST FLORIDA LAW. PROOF OF AGE IS REQUIRED
167 FOR USE.

168
169 (3) Any person who violates this section commits a
170 misdemeanor of the second degree, punishable as provided in s.
171 775.082 or s. 775.083.

172 Section 5. Section 24.127, Florida Statutes, is created
173 to read:

174 24.127 Video lottery games.--

31-00162-08

2008290__

175 (1) Video lottery games may be offered by a video lottery
176 retailer only at the pari-mutuel facility at which the video
177 lottery retailer is licensed to conduct pari-mutuel wagering
178 between July 1, 2008, and June 30, 2009, or at its relocated
179 licensed pari-mutuel facility if the relocation of such
180 facility has been approved by the Division of Pari-mutuel
181 Wagering pursuant to s. 550.0555. During any calendar year in
182 which a video lottery retailer maintains video lottery
183 terminals, the retailer must be licensed to conduct a full
184 schedule of live racing or games, as defined in s. 550.002(11),
185 including the conduct of races or games under s. 550.475, or be
186 authorized to receive broadcasts of horse races under s.
187 550.6308. The department shall waive such requirements upon a
188 showing that the failure to conduct races or games resulted
189 from a natural disaster, strike, or other acts beyond the
190 control of the permitholder, including legal restrictions or
191 prohibitions placed on the permitholder's activities. If the
192 retailer does not comply with the requirement to conduct a full
193 schedule of races or games for any other reason, the department
194 shall order the retailer to suspend its video lottery
195 operation. The department may assess an administrative fine,
196 not to exceed \$5,000 per video lottery terminal per day,
197 against any retailer who does not suspend its video lottery
198 operation when ordered to do so by the department. The
199 department may enforce a suspension order or administrative
200 fine as provided in s. 120.69. Each video lottery retailer
201 shall post a bond payable to the state in an amount determined
202 by the department as sufficient to guarantee the payment of
203 revenue due in any payment period. The initial bond prior to

31-00162-08

2008290__

204 commencement of operations by the video lottery retailer shall
205 be \$2 million, issued by a surety approved by the department,
206 conditioned to make the payments to the department. The bond
207 shall be separate from the bond required by s. 550.125.

208 (2) Each video lottery terminal retailer shall determine
209 the following pertaining to the video lottery terminals located
210 on its premises:

211 (a) Number of video lottery terminals, not to exceed
212 1,500 at any pari-mutuel facility;

213 (b) Dates and hours during which the video lottery
214 terminals are available for play, not to exceed 16 hours a day,
215 except that the hours of operation may be extended by majority
216 vote of the governing body of the municipality where the
217 retailer is located or the governing body of the county if the
218 retailer is not located in a municipality;

219 (c) Mix of games available for play on video lottery
220 terminals;

221 (d) Use of currency, coins, tokens, vouchers, electronic
222 credits, or anything of value;

223 (e) Location and movement of video lottery terminals on
224 the premises;

225 (f) Staffing of video lottery terminal operations on the
226 premises; and

227 (g) Minimum and maximum betting amounts and the payout,
228 based upon a suitable range, as determined by the video lottery
229 retailer, with a minimum of 85 percent of the amount of
230 currency, credits, vouchers, or anything of value put into a
231 video lottery terminal.

232 (3) Each video lottery terminal retailer shall notify the

31-00162-08

2008290__

233 department before commencing the initial operation of video
234 lottery games.

235 (4) To facilitate the auditing and security programs that
236 are critical to the integrity of the video lottery system, the
237 department shall have overall control of the entire system.
238 Each video lottery terminal shall be linked, directly or
239 indirectly, to a computer system operated by the department or
240 by a vendor contracting with the department.

241 (5) Video lottery games may be played at an authorized
242 video lottery retailer's facility regardless of whether the
243 retailer is conducting a pari-mutuel event.

244 (6) Upon submission of the initial application for a
245 video lottery retailer license and annually thereafter on the
246 anniversary date of the issuance of the initial license, the
247 licensee must pay a nonrefundable license fee of \$3 million to
248 the department. The license fee shall be deposited into the
249 Operating Trust Fund of the Department of the Lottery to be
250 used by the department to administer this act.

251 (7) Income derived from video lottery operations is not
252 subject to s. 24.121. The allocation of net terminal income
253 derived from video lottery games shall be as follows:

254 (a) Fifty percent shall be remitted to the Operating
255 Trust Fund for transfer to the Education Enhancement Trust
256 Fund.

257 (b) Fifty-hundredths percent shall be paid by the video
258 lottery retailer to the department and shall be used to
259 administer and regulate the operation of video lottery
260 terminals. Funds in excess of the department's administrative
261 costs shall be transferred to the Educational Enhancement Trust

31-00162-08

2008290__

262 Fund.

263 (8) The allocation provided in subsection (7) shall be
264 made weekly. Amounts allocated shall be remitted to the
265 department by electronic transfer within 24 hours after the
266 allocation is determined.

267 (9) Any person who intentionally manipulates, or who
268 attempts to manipulate, the outcome, payoff, or operation of a
269 video lottery terminal by physical or electronic tampering or
270 other means commits a felony of the third degree, punishable as
271 provided in s. 775.082, s. 775.083, or s. 775.084.

272 (10) Notwithstanding s. 24.115, each video lottery
273 retailer is responsible for payment of video lottery prizes.

274 (11) In the area or room in a facility in which a video
275 lottery terminal is placed, the video lottery retailer shall
276 also place video monitors displaying live races or games being
277 conducted in that facility. If live races or games are not
278 being conducted, any simulcast races or games that are
279 otherwise displayed in the facility shall be displayed. In each
280 area or room, the retailer shall also provide a means for
281 patrons to wager on pari-mutuel activity.

282 Section 6. Section 24.128, Florida Statutes, is created
283 to read:

284 24.128 Licensure of video lottery terminal vendors.--
285 Video lottery terminal vendors shall be licensed by the
286 department by October 1, 2008. The department may adopt
287 emergency rules under ss. 120.536(1) and 120.54(4) to
288 administer this section. The department may not license a
289 person as a video lottery terminal vendor who has an interest
290 in a video lottery retailer or a business relationship with a

31-00162-08

2008290__

291 video lottery retailer other than as a vendor or lessor of
292 video lottery terminals.

293 Section 7. Section 24.129, Florida Statutes, is created
294 to read:

295 24.129 Local zoning of pari-mutuel facilities.--The
296 installation, operation, or use of a video lottery on any
297 property where pari-mutuel operations were or would have been
298 lawful under any county or municipal zoning ordinance on July
299 1, 2006, does not change the character of the use of such
300 property. Such use is lawful and consistent with pari-mutuel
301 operations, and such use or the expansion or construction of
302 facilities to accommodate video lottery terminals on the
303 property is not subject to review or approval under land use,
304 zoning, or site plan review, or concurrency law, ordinance, or
305 regulation by any governmental entity.

306 Section 8. Section 24.130, Florida Statutes, is created
307 to read:

308 24.130 Video lottery terminals.--

309 (1) Video lottery terminals may not be offered for use or
310 play in this state unless approved by the department.

311 (2) Each video lottery terminal approved for use in this
312 state must:

313 (a) Be protected against manipulation to affect the
314 random probabilities of winning plays.

315 (b) Have one or more mechanisms that accept currency,
316 coins, tokens, vouchers, or anything of value in exchange for
317 game credits. Such mechanisms must be designed to prevent
318 players from obtaining currency, coins, tokens, vouchers, or
319 anything of value, or from obtaining game credits, by physical

31-00162-08

2008290__

320 tampering.

321 (c) Be capable of suspending play until reset at the
322 direction of the department as a result of physical tampering.

323 (d) Be capable of being linked to a central computer
324 communications system to audit the operation, financial data,
325 and program information, as required by the department.

326 Section 9. Section 24.131, Florida Statutes, is created
327 to read:

328 24.131 Video lottery terminal training program.--

329 (1) Each licensed video lottery terminal vendor shall
330 submit a training program for the service and maintenance of
331 terminals and equipment for approval by the department. The
332 training program must include an outline of the training
333 curriculum; a list of instructors and their qualifications; a
334 copy of the instructional materials; and the dates, times, and
335 location of training classes. A service and maintenance program
336 may not be held unless approved by the department.

337 (2) Each video lottery terminal service employee must
338 complete the requirements of the manufacturer's training
339 program before performing service, maintenance, or repairs on
340 video lottery terminals or associated equipment. Upon the
341 successful completion of the training program by an employee,
342 the department shall issue a certificate authorizing the
343 employee to service, maintain, and repair video lottery
344 terminals and associated equipment. A certificate of completion
345 may not be issued to a person until the department determines
346 that such person has completed the required training. Before
347 being certified as a video lottery terminal service employee, a
348 person must pass a background investigation conducted by the

31-00162-08

2008290__

349 department. The department may revoke certification upon
350 finding that a person is in violation of this chapter or
351 department rule.

352 (3) The department may adopt rules regarding the
353 training, qualifications, and certification of video lottery
354 terminal service employees.

355 Section 10. Section 24.132, Florida Statutes, is created
356 to read:

357 24.132 Video lottery retailer; agreements required.--

358 (1) A video lottery retailer who holds a permit under
359 chapter 550 to conduct pari-mutuel wagering meets of
360 thoroughbred racing may not conduct video lottery games unless
361 the retailer has on file with the division a binding written
362 agreement governing the payment of purses on live thoroughbred
363 racetracks conducted at the retailer's pari-mutuel facility between
364 the retailer and the association representing a majority of the
365 thoroughbred racehorse owners and trainers at that location. In
366 addition, a video lottery retailer may not conduct video
367 lottery games unless it has on file with the department a
368 binding written agreement between it and the Florida
369 Thoroughbred Breeders' Association governing the payment of
370 breeders', stallion, and special racing awards on live
371 thoroughbred races conducted at the retailer's pari-mutuel
372 facility.

373 (a) The agreement governing purses and the agreement
374 governing awards may direct the payment of such purses and
375 awards from revenues generated by any wagering or gaming that
376 the applicant is authorized to conduct.

377 (b) All purses and awards are subject to chapter 550. All

31-00162-08

2008290__

378 sums for breeders', stallion, and special racing awards shall
379 be remitted monthly to the Florida Thoroughbred Breeders'
380 Association for the payment of awards subject to the
381 administrative fee authorized in s. 550.2625(3).

382 (2) The department shall prohibit the operation of video
383 lottery games at a retailer's premises if an agreement required
384 under subsection (1) is terminated or otherwise ceases to
385 operate or if the department determines that the retailer has
386 materially failed to comply with the terms of an agreement.

387 (3) If an agreement required under subsection (1) is not
388 in place, either party may request the American Arbitration
389 Association to furnish a list of 11 arbitrators, each of whom
390 shall have at least 5 years of commercial arbitration
391 experience and no financial interest in or prior relationship
392 with any of the parties or their affiliated or related entities
393 or principals. Each party to the agreement shall select a
394 single arbitrator from the list provided within 10 days after
395 receipt of the list and the arbitrators selected shall choose
396 one additional arbitrator from the same list within the next 10
397 days.

398 (a) If an agreement is not in place 60 days after the
399 request for a list of arbitrators, the matter shall be
400 immediately submitted for mandatory binding arbitration to
401 resolve the disagreement between the parties. The three
402 arbitrators selected shall constitute the panel that will
403 arbitrate the dispute between the parties pursuant to the
404 American Arbitration Association Commercial Arbitration Rules
405 and chapter 682.

406 (b) At the conclusion of the proceedings, which must be

31-00162-08

2008290__

407 within 90 days after requesting the list of arbitrators, the
408 arbitration panel shall present a proposed agreement to the
409 parties which the majority of the panel believes equitably
410 balances the rights, interests, obligations, and reasonable
411 expectations of the parties. The parties shall immediately
412 enter into such agreement, which must satisfy the requirements
413 of subsection (1) and permit the conduct of video lottery games
414 by the video lottery retailer. The agreement is effective until
415 the last day of the license or renewal period or until the
416 parties enter into a different agreement. Each party shall pay
417 its respective costs of arbitration and one-half of the costs
418 of the arbitration panel unless the parties have agreed
419 otherwise. If the agreement remains in place 120 days before
420 the scheduled issuance of the next annual license renewal, the
421 arbitration process established in this subsection shall begin
422 again.

423 (c) If neither of the agreements required under
424 subsection (1) are in place, arbitration shall proceed
425 independently with separate lists of arbitrators, arbitration
426 panels, arbitration proceedings, and resulting agreements.

427 (d) Arbitration and the resulting agreement governing the
428 payment of purses under subsection (1) are limited to the
429 payment of purses from net terminal income only.

430 (4) A video lottery retailer who holds a limited
431 intertrack wagering license pursuant to s. 550.6308 shall make
432 the following payments for the promotion and welfare of the
433 thoroughbred racing industry:

434 (a) An amount equal to 12.5 of the net terminal income
435 shall be paid to thoroughbred pari-mutuel permitholders that

31-00162-08

2008290__

436 are licensed to conduct live races for purses. If more than one
437 permitholder is licensed to conduct live races during the state
438 thoroughbred racing season, the video lottery retailer shall
439 allocate these funds between the operating permitholders on a
440 pro rata basis based on the total live handle generated during
441 the previous racing season at the operating permitholders'
442 facilities. An amount equal to 7.5 percent of the purse account
443 generated under this paragraph shall be used for Florida
444 Owners' Awards pursuant to an agreement executed by the
445 permitholder, the Florida Thoroughbred Breeders' Association,
446 and the association representing a majority of the thoroughbred
447 racehorse owners and trainers at the permitholder's facility.
448 If an agreement is not reached 60 days before the commencement
449 of the permitholder's racing meet, the funds shall be used for
450 overnight purses.

451 (b) An amount equal to 1.25 percent of the net terminal
452 income shall be paid for breeders', stallion, or special racing
453 awards. The Florida Thoroughbred Breeders' Association may
454 receive these payments from the video lottery retailer and make
455 payments of awards earned. The Florida Thoroughbred Breeders'
456 Association may withhold up to 10 percent of the permitholder's
457 payments under this paragraph as a fee for administering the
458 payments of awards and for the general promotion of the
459 industry. The video lottery retailer shall make weekly payments
460 to the permitholders and to the Florida Thoroughbred Breeders'
461 Association at the same time it remits its allocation to the
462 department.

463 Section 11. Section 24.133, Florida Statutes, is created
464 to read:

31-00162-08

2008290__

465 24.133 Notice of availability of assistance for
466 compulsive gambling required.--

467 (1) The owner of each facility at which video lottery
468 games are conducted shall post signs that display the following
469 statement:

470

471 IF YOU OR SOMEONE YOU KNOW HAS A GAMBLING PROBLEM, HELP IS
472 AVAILABLE, CALL 1-800-426-7711.

473

474 (2) The department may approve additional toll-free
475 numbers to ensure compliance with this section. The signs must
476 be posted within 50 feet of each entrance.

477 Section 12. Section 24.134, Florida Statutes, is created
478 to read:

479 24.134 Compulsive gambling prevention program.--

480 (1) The video lottery retailer shall offer training to
481 employees on responsible gaming and shall work with a
482 compulsive gambling prevention program to recognize problem
483 gaming situations and to implement responsible gaming programs
484 and practices.

485 (2) The department shall, subject to competitive bidding,
486 contract for the provision of services related to the
487 prevention of compulsive gambling. The contract must provide
488 for an advertising program to encourage responsible gaming
489 practices and to publicize a gambling telephone help line. Such
490 advertisements shall be made both publicly and inside the
491 gaming areas of the video lottery retailers' facilities. The
492 terms of any contract for the provision of such services must
493 include accountability standards for the private provider. The

31-00162-08

2008290__

494 failure of any private provider to meet any material terms of
495 the contract, including the accountability standards,
496 constitutes a breach of contract or grounds for nonrenewal.

497 Section 13. Section 24.136, Florida Statutes, is created
498 to read:

499 24.136 Licensure of video lottery retailer.--A video
500 lottery retailer is entitled to a caterer's license pursuant to
501 s. 565.02 on days in which the pari-mutuel facility is open to
502 the public for video lottery play as authorized by this
503 chapter.

504 Section 14. Section 24.137, Florida Statutes, is created
505 to read:

506 24.137 Other prohibited activities.--

507 (1) Complimentary or reduced-cost alcoholic beverages may
508 not be served to a person playing a video lottery terminal.
509 Alcoholic beverages served to a person playing a video lottery
510 terminal shall cost at least the same amount as alcoholic
511 beverages served to the general public at a bar within the
512 facility.

513 (2) A video lottery retailer may not allow any automated
514 teller machine or similar device that provides credit or
515 dispenses cash in the area where video lottery terminal gaming
516 may be conducted pursuant to this chapter and such retailer may
517 not make loans, provide credit, or advance cash to enable a
518 person to play a video lottery terminal. However, automated
519 ticket-redemption machines that dispense cash for the
520 redemption of tickets may be located in such areas.

521 (3) A video lottery retailer may not accept or cash any
522 personal, third-party, corporate, business, or government-

31-00162-08

2008290__

523 issued check from any person.

524 (4) A video lottery terminal located within a video
525 lottery retailer's facility shall accept only tickets or paper
526 currency or an electronic payment system for wagering, and
527 return or deliver payouts to the player in the form of tickets
528 that may be exchanged for cash, merchandise, or other items of
529 value. The use of coins, credit or debit cards, tokens, or
530 similar objects is prohibited. However, an electronic credit
531 system may be used for receiving wagers and making payouts.

532 Section 15. Section 24.138, Florida Statutes, is created
533 to read:

534 24.138 Exclusions of certain persons.--In addition to the
535 power to exclude certain persons from any facility of a video
536 lottery terminal retailer in this state, the department may
537 exclude any person for conduct that would constitute, if the
538 person were a licensee, a violation of this chapter, chapter
539 550, chapter 551, or a department rule. The department may
540 exclude from any facility of a video lottery terminal retailer
541 any person who has been ejected from a facility of a video
542 lottery retailer or slot machine licensee in this or any other
543 state by the governmental department, agency, commission, or
544 authority that regulates gaming in that state. This section
545 does not abrogate the common law right of a video lottery
546 terminal retailer to exclude a patron absolutely in this state.

547 Section 16. Section 24.139, Florida Statutes, is created
548 to read:

549 24.139 Department office space.--A video lottery terminal
550 retailer shall provide adequate office space at no cost to the
551 department for the oversight of video lottery terminal

31-00162-08

2008290__

552 operations. The department shall adopt rules establishing the
553 criteria for adequate space, configuration, and needed
554 electronic and technological requirements for office space
555 required by this section.

556 Section 17. Subsection (24) of section 212.02, Florida
557 Statutes, is amended to read:

558 212.02 Definitions.--The following terms and phrases when
559 used in this chapter have the meanings ascribed to them in this
560 section, except where the context clearly indicates a different
561 meaning:

562 (24) "Coin-operated amusement machine" means any machine
563 operated by coin, slug, token, coupon, or similar device for
564 the purposes of entertainment or amusement. The term includes,
565 but is not limited to, coin-operated pinball machines, music
566 machines, juke boxes, mechanical games, video games, arcade
567 games, billiard tables, moving picture viewers, shooting
568 galleries, and all other similar amusement devices. The term
569 does not include a video lottery terminal operated pursuant to
570 chapter 24.

571 Section 18. Effective January 1, 2009, present
572 subsections (3), (4), and (5) of section 551.106, Florida
573 Statutes, are redesignated as subsections (4), (5), and (6),
574 respectively, and a new subsection (3) is added to that
575 section, to read:

576 551.106 License fee; tax rate; penalties.--

577 (3) TAX CREDITS ON SLOT MACHINE REVENUES.--Each slot
578 machine licensee shall receive in the current state fiscal year
579 a tax credit equal to the amount paid by the licensee in the
580 previous state fiscal year to the local government according to

31-00162-08

2008290__

581 any slot revenue-sharing agreements made with the local
582 government where the slot machine licensee is located. This tax
583 credit shall be applicable against the taxes otherwise due and
584 payable to the state under subsection (2). The total amount of
585 the tax credit may not exceed 3.7 percent of the total taxes
586 paid to the division under this section in the previous state
587 fiscal year.

588 Section 19. For the 2008-2009 fiscal year, the sum of \$10
589 million in recurring funds is appropriated from the Operating
590 Trust Fund in the Department of Lottery and 24 full-time
591 equivalent positions and associated salary rate of 1,276,000 is
592 authorized to implement the provisions of this act.

593 Section 20. Except as otherwise expressly provided in
594 this act, this act shall take effect upon becoming a law.