

By the Committee on Regulated Industries; and Senators Jones and King

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1 A bill to be entitled
2 An act relating to gaming; providing legislative
3 findings and intent; authorizing electronic gaming
4 machines in certain pari-mutuel facilities; defining
5 terms; providing powers and duties of the Division of
6 Pari-mutuel Wagering of the Department of Business and
7 Professional Regulation and the Department of Law
8 Enforcement; authorizing the Division of Pari-mutuel
9 Wagering to adopt rules regulating electronic gaming
10 activities; authorizing the Division of Pari-mutuel
11 Wagering and the Department of Law Enforcement to
12 conduct investigations relating to electronic gaming;
13 authorizing the Division of Pari-mutuel Wagering to
14 issue licenses for electronic gaming; specifying
15 qualifications of licensees; requiring licensees to
16 provide advance notice of certain ownership changes to
17 the Division of Pari-mutuel Wagering; specifying
18 requirements for a licensee's facilities-based
19 computer system; requiring electronic gaming machines
20 to maintain a payout percentage of at least 85
21 percent; requiring licensees to maintain records;
22 requiring licensees to make and file certain reports
23 with the Division of Pari-mutuel Wagering; requiring
24 an applicant for an electronic gaming license to have
25 certain agreements for live races or games; providing
26 for arbitration of such agreements; authorizing the
27 Division of Pari-mutuel Wagering to issue temporary
28 occupational licenses; providing for the renewal of
29 electronic gaming machine licenses; specifying a

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30 nonrefundable licensing fee for electronic gaming
31 licenses; specifying the rate of tax on electronic
32 gaming machine revenues; providing for penalties for
33 failure to pay the taxes; requiring electronic gaming
34 machine licensees and certain persons having access to
35 gaming areas to submit fingerprints in connection with
36 certain occupational licenses; specifying grounds for
37 the Division of Pari-mutuel Wagering to take action
38 against applicants for and licensees having certain
39 occupational licenses; authorizing the Division of
40 Pari-mutuel Wagering to impose fines for violations of
41 laws relating to electronic gaming; prohibiting
42 regulators, certain businesses, licensees, and
43 employees from having certain relationships with each
44 other; subjecting a person who makes certain false
45 statements to fines; subjecting a person to fines for
46 possessing electronic games without a license;
47 imposing criminal penalties for attempting to
48 manipulate electronic gaming machines or theft
49 relating to electronic gaming; authorizing warrantless
50 arrests by law enforcement officers under certain
51 circumstances; providing immunity to law enforcement
52 officers who make such arrests; imposing criminal
53 penalties for resisting arrest or detention;
54 prohibiting electronic gaming machines from entering
55 this state; authorizing the Division of Pari-mutuel
56 Wagering to exclude certain individuals from the
57 facility of an electronic gaming machine licensee;
58 prohibiting persons who are younger than 18 years of

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59 age from playing an electronic gaming machine;
60 specifying a limit on the number of electronic gaming
61 machines in a facility; requiring an electronic gaming
62 machine licensee to provide office space to the
63 Division of Pari-mutuel Wagering and to the Department
64 of Law Enforcement free of charge; limiting the hours
65 that an electronic gaming machine facility may
66 operate; authorizing the Division of Pari-mutuel
67 Wagering to revoke or suspend licenses or impose fines
68 for willful violations of laws or rules regulating
69 electronic gaming; requiring electronic gaming machine
70 licensees to train employees about gambling
71 addictions; imposing a regulatory fee for a gambling
72 addiction program; entitling electronic gaming machine
73 licensees to a caterer's license; restricting the
74 provision of alcoholic beverages, automated teller
75 machines, and check cashing activities in gaming
76 machine areas; authorizing the Division of Pari-mutuel
77 Wagering to adopt rules; preempting to the state the
78 authority to regulate electronic gaming facilities;
79 excepting bingo games operated by charitable or
80 nonprofit organizations from the provisions of the
81 act; amending s. 215.22, F.S.; exempting taxes imposed
82 on electronic gaming and electronic gaming machine
83 revenue from specified service charges; authorizing
84 the Division of Pari-mutuel Wagering to spend certain
85 trust funds; requiring repayment of such funds;
86 amending s. 550.002, F.S.; revising a definitions;
87 amending s. 550.01215, F.S.; deleting an exception

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88 relating to licensing of thoroughbred racing; amending
89 s. 550.0951, F.S.; specifying the tax on historical
90 racing, the take-out of a pari-mutuel pool, an a
91 payment to a purse account; providing for payments to
92 certain horse racing associations; specifying the fee
93 for a permitholder to conduct historical racing;
94 revising the date on which tax payments are due;
95 amending s. 550.09511, F.S.; revising the schedule for
96 the payment of jai alai taxes; amending s. 550.09514,
97 F.S.; revising the schedule for the payment of
98 greyhound dog racing taxes; amending s. 550.105, F.S.;
99 providing for a 3-year occupational license for
100 certain pari-mutuel employees; specifying maximum
101 license fees; providing procedures for criminal
102 history record checks; amending s. 550.135, F.S.;
103 providing for the reservation of electronic gaming
104 machine fees in a trust fund; amending s. 550.2415,
105 F.S.; providing that cruelty to any animal is a
106 violation of ch. 550, F.S.; authorizing the Division
107 of Pari-mutuel Wagering to inspect areas are located;
108 amending s. 550.26165, F.S.; providing legislative
109 intent to attract thoroughbred training and breeding
110 to this state; authorizing the Florida Thoroughbred
111 Breeders' Association to pay certain awards as part of
112 its pay plan; amending s. 550.2625, F.S.; limiting the
113 application of requirements for minimum purses and
114 awards to this state; amending s. 550.334, F.S.;
115 deleting a provision for issuing a permit to conduct
116 quarter horse race meetings; deleting a provision for

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117 issuing a license to conduct quarter horse racing;
118 deleting provisions to revoke such permit or license
119 for certain violations or failure to conduct live
120 racing; removing an exception to specified permit
121 application provisions; amending s. 550.3355, F.S.;
122 revising the time period for a harness track summer
123 season; repealing s. 550.3605, F.S., relating to the
124 use of electronic transmitting equipment on the
125 premises of a horse or dog racetrack or jai alai
126 fronton; amending s. 550.5251, F.S.; deleting
127 provisions relating to racing days and dates for
128 thoroughbred permitholders that conducted races
129 between certain dates; revising provisions relating to
130 thoroughbred racing dates and minimum number of races;
131 creating s. 550.810, F.S.; specifying requirements for
132 historical racing systems; limiting the number of
133 historical terminals in certain pari-mutuel
134 facilities; authorizing the Division of Pari-mutuel
135 wagering to adopt rules regulating historical racing;
136 providing for the disposition of pari-mutuel tickets
137 that are not redeemed within a certain period of time;
138 amending s. 551.102, F.S.; clarifying the definition
139 of the term "progressive system"; amending s. 551.104,
140 F.S.; providing that the payout percentage of a slot
141 machine facility must be at least 85 percent;
142 specifying the licensing fee for slot machine gaming;
143 specifying the rate of tax on slot machine revenues;
144 revising the due date for slot machine taxes; amending
145 s. 551.113, F.S.; prohibiting a person who is younger

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146 than 18 years of age from playing a slot machine;
147 amending s. 551.121, F.S.; authorizing a progressive
148 system to be used in conjunction with slot machines
149 between licensed facilities; amending s. 772.102,
150 F.S.; revising the definition of "criminal activity";
151 conforming cross-references; amending s. 849.161,
152 F.S.; providing that ch. 849, F.S., does not apply to
153 certain mechanical historical racing systems; amending
154 s. 849.086, F.S.; requiring an applicant for a
155 cardroom licensed to have run a full schedule of live
156 races; specifying maximum license fees for
157 occupational licenses for cardroom employees and
158 cardroom businesses; limiting the hours of cardroom
159 operations; revising the maximum bet and entry fee for
160 tournaments; expanding the authorization for cardroom
161 activities contingent upon a compact with the Seminole
162 Tribe of Florida; amending s. 849.15, F.S.;
163 authorizing the possession of certain gambling
164 devices; amending s. 895.02, F.S.; revising the
165 definitions of "racketeering activity" and "unlawful
166 debt"; conforming cross-references; providing an
167 appropriation and the creation of full-time equivalent
168 positions; providing contingent effective dates.

169

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

171

172 Section 1. The Legislature finds that the pari-mutuel
173 industry has played an important part in the development of this
174 state and that it is a vital part of the state's economy. The

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175 Legislature also recognizes that many individuals and small
176 businesses provide services to the pari-mutuel industry and rely
177 upon the continued vigor of the industry to survive. The pari-
178 mutuel industry and these individuals and small business employ
179 many Floridians, pay a variety of taxes to support state and
180 local governmental activities, and contribute to the economy of
181 this state. Given the important role played by the industry, and
182 the individuals and small businesses associated with it, as well
183 as the current state of the economy in the United States in
184 general and in Florida in particular, the Legislature finds that
185 in order to preserve the industry, to ensure continued
186 employment for many Floridians, and to preserve and improve the
187 state's revenues, measures must be taken to eliminate
188 unnecessary regulations, encourage business and regulatory
189 efficiency, reduce unnecessary tax burdens, and increase
190 revenues to the state.

191 Section 2. Electronic gaming machines authorized.—An
192 electronic gaming machine licensee may possess electronic gaming
193 machines and operate electronic gaming machines at an eligible
194 facility, as defined by section 3. of this act, where the
195 licensee is authorized to conduct pari-mutuel wagering
196 activities under to chapter 550, Florida Statutes.
197 Notwithstanding any other provision of law, it is not a crime
198 for a person to participate in electronic gaming at a facility
199 licensed to possess electronic gaming machines or to operate
200 electronic gaming machines.

201 Section 3. As used in this act, the term:

202 (1) "Bingo" or "game of bingo" means the game of chance
203 commonly known as "bingo," which may include the use of

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204 electronic, computer, or other technological aids. Such aids may
205 include entertainment displays, including spinning reels, video
206 displays, associated bonus displays, and video poker. The game
207 of bingo requires at least two live players competing for a
208 common prize. The prizes result from a random draw or electronic
209 determination and release or announcement of numbers or other
210 designations necessary to form the predesignated game-winning
211 pattern on an electronic bingo card. A game of bingo ends when a
212 player receives a predesignated game-winning pattern and
213 consolation prizes, if any, are awarded. The game of bingo does
214 not include house-banked games or electronic or
215 electromechanical facsimiles of any other game of chance or slot
216 machine of any kind.

217 (2) "Bonus prize" means a prize awarded in a bingo game in
218 addition to the game-winning prize. The term includes prizes
219 based on predesignated and preannounced patterns that differ
220 from the game-winning pattern, a winning pattern in a specified
221 quantity of numbers or designations drawn or electronically
222 determined and released, or any combination of these patterns.
223 The term includes a prize awarded as an interim prize while
224 players are competing for the game-winning prize or as a
225 consolation prize after a player has won the game-winning prize.

226 (3) "Designated electronic gaming machine area" means any
227 area of a facility of an electronic gaming machine licensee in
228 which electronic gaming may be conducted.

229 (4) "Distributor" means any person who sells, leases,
230 offers, or otherwise provides, distributes, or services any
231 electronic gaming machine or associated equipment, software, or
232 other functions required for use or play of electronic gaming

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233 machines in this state. The term may include a manufacturer.

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

236 (6) "Electronic game" means an electronically simulated
237 bingo game that:

238 (a) Is played on an electronic gaming machine that, upon
239 insertion of a ticket, or an electronic or account-based card,
240 is available to play or simulate a game of bingo played on a
241 network of electronic gaming machines;

242 (b) Is not house-banked;

243 (c) May award bonus prizes and progressive prizes; and

244 (d) May make provide payoffs to players in the form of
245 tickets or electronic or account-based credits that may be
246 exchanged for cash, merchandise, or other items of value.

247 (7) "Electronic gaming machine" means a player station,
248 machine, or device, including associated equipment that is
249 required to operate the player station, machine, or device, upon
250 which an electronic game is played or operated. An electronic
251 gaming machine:

252 (a) May include spinning reels, video displays, video
253 poker, or other similar technologies to convey outcomes to a
254 player of simulated bingo as approved by the division.

255 (b) Must display one or more bingo cards used in the game
256 before numbers or other designations for the game are randomly
257 drawn.

258 (c) Must display any card in use by a player during game
259 play.

260 (d) Must be directly linked to a central computer for
261 purposes of security, monitoring, and auditing. The central

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262 computer may not limit a facility's ability to deploy its
263 electronic player tracking or electronic gaming accounting
264 system. However, such systems must use a widely accepted open
265 communications protocol to ensure interoperability among all
266 manufacturers and to provide a player with the ability to
267 seamlessly alternate play between the electronic gaming machines
268 and electronic gaming machines of different licensed
269 manufacturers.

270 (e) Is not a coin-operated amusement machine as defined in
271 s. 212.02, Florida Statutes, or an amusement game or machine as
272 described in s. 849.161, Florida Statutes. Electronic gaming
273 machines are not subject to the tax imposed by s. 212.05(1)(h),
274 Florida Statutes.

275 (8) "Electronic gaming machine facility" means an eligible
276 facility at which electronic gaming machines are lawfully
277 offered for play.

278 (9) "Electronic gaming machine license" means a license
279 issued by the division authorizing a licensee under chapter 550,
280 Florida Statutes, to place and operate electronic gaming
281 machines in an eligible facility.

282 (10) "Electronic gaming machine revenues" means all cash
283 and property, except nonredeemable credits, received by the
284 electronic gaming machine licensee from the operation of
285 electronic gaming machines, less the amount of cash, cash
286 equivalents, credits, and prizes paid to winners of electronic
287 games.

288 (11) "Eligible facility" means a facility at which a
289 licensee under chapter 550, Florida Statutes, has run a full
290 schedule of live racing, as defined in s. 550.002(11), Florida

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291 Statutes, for 3 consecutive fiscal years before the date of
292 application for an electronic gaming license, and which is also
293 a cardroom license holder, but not a slot machine facility
294 licensed under chapter 551, Florida Statutes.

295 (12) "Game-winning pattern" means a predetermined pattern
296 on an electronic bingo card. Each game must have one game-
297 winning pattern or arrangement that must be common to all
298 players and may be won by multiple players simultaneously. A
299 game-winning prize must be awarded in every game. The pattern
300 designated as the game-winning pattern need not pay the highest
301 prize available in the game. Other patterns may be designated
302 for the award of bonus prizes in addition to the prize to
303 awarded based on the game-winning pattern.

304 (13) "Manufacturer" means any person who manufactures,
305 builds, rebuilds, fabricates, assembles, produces, programs,
306 designs, or modifies any electronic gaming machine or associated
307 equipment for use or play in this state for gaming purposes.

308 (14) "Nonredeemable credits" means electronic gaming
309 machine operating credits that may not be redeemed for cash or
310 any other thing of value by an electronic gaming machine, kiosk,
311 or the electronic gaming machine licensee and that are provided
312 for free to patrons. The credits become nonredeemable credits
313 when they are metered as credit into an electronic gaming
314 machine and recorded in the facility-based monitoring system.

315 (15) "Progressive prize" means an established prize for a
316 bingo game that is:

317 (a) Funded by a percentage of each player's purchase or
318 wager within one or more licensed facilities for a specific
319 progressive bingo game;

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320 (b) Awarded to a player who obtains a specific
321 predesignated and preannounced pattern having a specified
322 quantity of numbers or designations randomly drawn and released
323 or electronically determined or randomly drawn and released or
324 electronically determined in a specified sequence; and

325 (c) Rolled over to each subsequent specific progressive
326 bingo game until it is won.

327 Section 4. Powers and duties of the Division of Pari-Mutuel
328 Wagering and the Department of Law Enforcement.-

329 (1) The division shall adopt rules necessary to implement,
330 administer, and regulate the operation of electronic gaming
331 machines in this state. The rules shall include:

332 (a) Procedures for applying for and renewing electronic
333 gaming machine licenses.

334 (b) Technical requirements and qualifications to receive an
335 electronic gaming machine license or electronic gaming machine
336 occupational license.

337 (c) Procedures to ensure that an electronic game or
338 electronic gaming machine does not enter the state or is not
339 offered for play until it has been tested and certified by a
340 licensed testing laboratory for play in the state.

341 (d) Procedures to test, certify, control, and approve
342 electronic games and electronic gaming machines. The procedures
343 shall address measures to scientifically test and technically
344 evaluate electronic gaming machines for compliance with the
345 applicable laws and rules. The division may contract with an
346 independent testing laboratory to conduct any necessary testing.
347 The independent testing laboratory must have a national
348 reputation indicating that it is demonstrably competent and

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349 qualified to scientifically test and evaluate electronic games
350 and electronic gaming machines and to perform the functions
351 required by this act. An independent testing laboratory may not
352 be owned or controlled by a licensee. The selection of an
353 independent testing laboratory for any purpose related to the
354 conduct of electronic gaming machines by a licensee shall be
355 made from a list of laboratories approved by the division.

356 (e) Procedures relating to electronic gaming machine
357 revenues, including verifying and accounting for such revenues,
358 auditing, and collecting taxes and fees.

359 (f)1. Procedures to regulate, manage, and audit the
360 operation, financial data, and program information relating to
361 electronic gaming machines which enable the division and the
362 Department of Law Enforcement to audit the operation, financial
363 data, and program information of an electronic gaming machine
364 licensee required by the division or the Department of Law
365 Enforcement.

366 2. Procedures to allow the division and the Department of
367 Law Enforcement to:

368 a. Monitor, at any time on a real-time basis, wagering
369 patterns, payouts, tax collection, and compliance with division
370 rules;

371 b. Suspend play immediately on particular electronic gaming
372 machines if the facilities-based computer system indicates
373 possible tampering with or manipulation of the electronic gaming
374 machines; and

375 c. Immediately suspend play of the entire operation if the
376 facilities-based computer system may have been tampered with or
377 manipulated. The division shall notify the Department of Law

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378 Enforcement or the Department of Law Enforcement shall notify
379 the division, as appropriate, when there is a suspension of play
380 under this subparagraph. The division and the Department of Law
381 Enforcement shall exchange information that is necessary for and
382 cooperate in the investigation of the circumstances resulting in
383 suspension of play.

384 (g) Procedures to require each licensee operating
385 electronic gaming machines, at the licensee's expense, to supply
386 the division with a bond having the penal sum of \$2 million
387 payable to the Chief Financial Officer. Any bond shall be issued
388 by a surety approved by the division and the Chief Financial
389 Officer, conditioned to pay the Chief Financial Officer as
390 treasurer of the division. The licensee must keep its books and
391 records and make reports as provided in this act and conduct
392 electronic gaming machine operations in conformity with this act
393 and other provisions of law. Such bond shall be separate from
394 the bond required in s. 550.125, Florida Statutes.

395 (h) Procedures to require licensees to maintain specified
396 records and submit any data, information, records, or reports,
397 including financial and income records, required by this act or
398 rules of the division.

399 (i) A requirement that the payout percentage of an
400 electronic gaming machine facility be at least 85 percent. The
401 theoretical payout percentage shall be determined using standard
402 methods of probability theory.

403 (j) Minimum standards of security for the facilities,
404 including floor plans, security cameras, and other security
405 equipment.

406 (k) Procedures to require electronic gaming machine

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407 licensees to implement and establish drug-testing programs for
408 all electronic gaming machine occupational licensees.

409 (2) The division shall conduct investigations necessary to
410 fulfill its responsibilities to regulate electronic gaming
411 machine facilities.

412 (3) The Department of Law Enforcement and local law
413 enforcement agencies have concurrent jurisdiction to investigate
414 criminal violations of laws regulating electronic gaming
415 facilities and may investigate any other criminal violation of
416 law occurring at a facility. Such investigations may be
417 conducted in conjunction with the appropriate state attorney.

418 (4) (a) The division, the Department of Law Enforcement, and
419 local law enforcement agencies have unrestricted access to an
420 electronic gaming machine licensee's facility at all times and
421 shall require each electronic gaming machine licensee to
422 strictly comply with the laws of this state relating to the
423 transaction of such business. The division, the Department of
424 Law Enforcement, and local law enforcement agencies may:

425 1. Inspect and examine premises where electronic gaming
426 machines are offered for play.

427 2. Inspect electronic gaming machines and related equipment
428 and supplies.

429 (b) In addition, the division may:

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

431 2. Deny, revoke, suspend, or place conditions on the
432 license of a person who violates this act or rules adopted
433 pursuant thereto.

434 (5) The division shall revoke or suspend the license of any
435 person who is no longer qualified or who is found to have been

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436 unqualified at the time of application for the license.

437 (6) This section does not:

438 (a) Prohibit the Department of Law Enforcement or any law
439 enforcement authority whose jurisdiction includes a licensed
440 facility from conducting investigations of criminal activities
441 occurring at the facility;

442 (b) Restrict access to an electronic gaming machine
443 licensee's facility by the Department of Law Enforcement or any
444 local law enforcement authority whose jurisdiction includes the
445 electronic gaming machine licensee's facility; or

446 (c) Restrict access by the Department of Law Enforcement or
447 local law enforcement authorities to information and records
448 necessary to the investigation of criminal activity which are
449 contained within the electronic gaming machine licensee's
450 facility.

451 Section 5. License to conduct electronic gaming.-

452 (1) Upon application and a finding by the division after
453 investigation that the application is complete and the applicant
454 is qualified and payment of the initial license fee, the
455 division may issue a license to conduct electronic gaming in any
456 designated electronic gaming machine area of an eligible
457 facility.

458 (2) An electronic gaming machine license may be issued only
459 to a person or entity licensed to conduct pari-mutuel wagering
460 under chapter 550, Florida Statutes, and electronic gaming may
461 be operated only at the eligible facility at which the licensee
462 is authorized to conduct pari-mutuel wagering activities.

463 (3) As a condition of licensure and to maintain continued
464 authority to conduct electronic gaming, an electronic gaming

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465 machine licensee shall:

466 (a) Comply with this act.

467 (b) Comply with chapter 550, Florida Statutes, and maintain
468 the pari-mutuel permit and license in good standing pursuant to
469 chapter 550, Florida Statutes. Notwithstanding any contrary
470 provision of law, a pari-mutuel permitholder may, within 60 days
471 after the effective date of this act, amend its pari-mutuel
472 wagering operating license. The division shall issue a new
473 license to the permitholder to effectuate any approved change.

474 (c) Conduct at least a full schedule of live racing or
475 games as defined in s. 550.002(11), Florida Statutes, including
476 races or games under s. 550.475, Florida Statutes, or be
477 authorized to conduct limited intertrack wagering under s.
478 550.6308, Florida Statutes, at the eligible facility. A
479 licensee's responsibility to conduct such number of live races
480 or games shall be reduced by the number of races or games that
481 could not be conducted due to the direct result of fire, war,
482 hurricane, or other disaster or event beyond the control of the
483 licensee.

484 (d) Provide appropriate current and accurate documentation,
485 on a timely basis, to the division relating to changes in
486 ownership or interest in an electronic gaming machine license.
487 Changes in ownership or interest in an electronic gaming machine
488 license of 5 percent or more of the stock or other evidence of
489 ownership or equity in the electronic gaming machine license or
490 of any parent corporation or other business entity that owns or
491 controls the electronic gaming machine license must be approved
492 by the division prior to such change, unless the owner is an
493 existing holder of the license who was previously approved by

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494 the division. Any changes in ownership or interest in an
495 electronic gaming machine license of less than 5 percent, unless
496 such change results in a cumulative total of 5 percent or more,
497 shall be reported to the division within 20 days after the
498 change. The division may conduct an investigation to ensure that
499 the license is properly updated to show the change in ownership
500 or interest. Reporting is not required if the person is holding
501 5 percent or less equity or securities of a corporate owner of
502 the electronic gaming machine licensee that has its securities
503 registered pursuant to s. 12 of the Securities Exchange Act of
504 1934, 15 U.S.C. ss. 78a-78kk, and if such corporation or entity
505 files with the United States Securities and Exchange Commission
506 the reports required by s. 13 of that act, or if the securities
507 of the corporation or entity are regularly traded on an
508 established securities market in the United States. A change in
509 ownership or interest of less than 5 percent which results in a
510 cumulative ownership or interest of 5 percent or more must be
511 approved by the division prior to such change unless the owner
512 is an existing holder of the license who was previously approved
513 by the division.

514 (e) Provide the division and the Department of Law
515 Enforcement unrestricted access to inspect the facilities of an
516 electronic gaming machine licensee in which any activity
517 relative to the operation of electronic gaming machines is
518 conducted.

519 (f) Ensure that the facilities-based computer system or
520 operational and accounting functions of the electronic gaming
521 machine facility is specifically structured to facilitate
522 regulatory oversight. The facilities-based computer system shall

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523 give the division and the Department of Law Enforcement the
524 ability to monitor, at any time on a real-time basis, the
525 wagering patterns, payouts, tax collection, and such other
526 operations as are necessary to determine whether the facility is
527 in compliance with statutory provisions and rules adopted by the
528 division for the regulation and control of electronic gaming
529 machines. The division and the Department of Law Enforcement
530 shall have continuous access to this system. The division and
531 the department shall have the ability to suspend play
532 immediately on particular electronic gaming machines if the
533 system indicates possible tampering with or manipulation of
534 those electronic gaming machines or the ability to immediately
535 suspend play of the entire operation if the system indicates
536 that the system has been tampered with or manipulated. The
537 computer system shall be reviewed and approved by the division
538 to ensure necessary access, security, and functionality. The
539 division may adopt rules to provide for the approval process.

540 (g) Ensure that each electronic gaming machine and
541 electronic game is protected from manipulation or tampering
542 affecting the random probabilities of winning plays. The
543 division or the Department of Law Enforcement may suspend play
544 upon reasonable suspicion of any manipulation or tampering. If
545 play has been suspended on any electronic gaming machine, the
546 division or the Department of Law Enforcement may examine the
547 machine to determine whether the machine has been tampered with
548 or manipulated and whether the machine should be returned to
549 operation.

550 (h) Submit a security plan, including the facilities' floor
551 plans, the locations of security cameras, and a listing of all

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552 security equipment that is capable of observing and
553 electronically recording activities being conducted in the
554 facilities of the electronic gaming machine licensee. The
555 security plan must meet the minimum security requirements as
556 determined by the division by rule, and be implemented before
557 operation of electronic gaming machine games. The electronic
558 gaming machine licensee's facilities must adhere to the security
559 plan at all times. Any changes to the security plan must be
560 submitted by the licensee to the division before they are
561 implemented. The division shall furnish copies of the security
562 plan and changes in the plan to the Department of Law
563 Enforcement.

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

565 1. Creating opportunities to purchase from vendors in this
566 state, including minority vendors.

567 2. Creating opportunities for employment of residents of
568 this state, including minority residents.

569 3. Ensuring opportunities for construction services from
570 minority contractors.

571 4. Ensuring that opportunities for employment are offered
572 on an equal, nondiscriminatory basis.

573 5. Providing training for employees on responsible gaming
574 and working with a compulsive or addictive gambling prevention
575 program to further its purposes as provided for in this act.

576 6. The implementation of a drug-testing program that
577 includes, but is not limited to, requiring each employee to sign
578 an agreement that he or she understands that the electronic
579 gaming machine facility is a drug-free workplace.

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581 The electronic gaming machine licensee shall use the Internet-
582 based job-listing system of the Agency for Workforce Innovation
583 in advertising employment opportunities. Beginning in June 2010,
584 each electronic gaming machine licensee shall submit an annual
585 report to the division containing information indicating
586 compliance with this paragraph in regard to minority persons.

587 (j) Maintain a payout percentage of at least 85 percent per
588 electronic gaming machine facility. The theoretical payout
589 percentage shall be determined using standard methods of
590 probability theory.

591 (4) An electronic gaming machine license is not
592 transferable.

593 (5) An electronic gaming machine licensee shall keep and
594 maintain daily records of its electronic gaming machine
595 operations and shall maintain such records for at least 5 years.
596 These records must include all financial transactions and
597 contain sufficient detail to determine compliance with laws and
598 rules regulating electronic gaming. All records shall be
599 available for audit and inspection by the division, the
600 Department of Law Enforcement, or other law enforcement agencies
601 during the licensee's regular business hours.

602 (6) An electronic gaming machine licensee shall file with
603 the division a monthly report containing the required records of
604 such electronic gaming machine operations. The required reports
605 shall be submitted on forms prescribed by the division and shall
606 be due at the same time as the monthly pari-mutuel reports are
607 due. Such reports are public records once filed.

608 (7) An electronic gaming machine licensee shall file with
609 the division an audit of the receipt and distribution of all

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610 electronic gaming machine revenues. The audit must be performed
611 by an independent certified public accountant who shall verify
612 whether the licensee has complied with the financial and
613 auditing laws and rules applicable to the licensee. The audit
614 must include verification of compliance with all statutes and
615 rules regarding all required records of electronic gaming
616 machine operations. Such audit shall be filed within 120 days
617 after completion of the permitholder's fiscal year.

618 (8) The division may share any information with the
619 Department of Law Enforcement, any other law enforcement agency
620 having jurisdiction over electronic gaming machines or pari-
621 mutuel activities, or any other state or federal law enforcement
622 agency or division that the Department of Law Enforcement deems
623 appropriate. Any law enforcement agency having jurisdiction over
624 electronic gaming machines or pari-mutuel activities may share
625 with the division information obtained or developed by it.

626 (9) (a) An electronic gaming machine license or renewal may
627 not be issued to an applicant licensed under chapter 550,
628 Florida Statutes, to conduct live pari-mutuel wagering races or
629 games unless the applicant has on file with the division the
630 following binding written agreements governing the payment of
631 awards and purses on live races or games conducted at the
632 licensee's pari-mutuel facility:

633 1. For a thoroughbred licensee, an agreement governing the
634 payment of purses between the applicant and the Florida
635 Horsemen's Benevolent and Protective Association, Inc., or the
636 association representing a majority of the thoroughbred owners
637 and trainers at the applicant's eligible facility located as
638 described in s. 550.615(9), Florida Statutes, and an agreement

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639 governing the payment of awards between the applicant and the
640 Florida Thoroughbred Breeders' Association;

641 2. For a harness licensee, an agreement governing the
642 payment of purses and awards between the applicant and the
643 Florida Standardbred Breeders and Owners Association;

644 3. For a greyhound licensee, an agreement governing the
645 payment of purses between the applicant and the Florida
646 Greyhound Association, Inc.;

647 4. For a quarter horse licensee, an agreement governing the
648 payment of purses between the applicant and the Florida Quarter
649 Horse Racing Association and an agreement governing the payment
650 of awards between the applicant and the Florida Quarter Horse
651 Breeders and Owners Association; or

652 5. For a jai alai licensee, an agreement governing the
653 payment of player awards between the applicant and the
654 International Jai Alai Players Association or a binding written
655 agreement approved by a majority of the jai alai players at the
656 applicant's eligible facility at which the applicant has a
657 permit issued after January 1, 2000, to conduct jai alai.

658 (b) The agreements may direct the payment of purses and
659 awards from revenues generated by any wagering or games that the
660 applicant is authorized to conduct under state law. All purses
661 and awards are subject to the terms of chapter 550, Florida
662 Statutes. All sums for breeders', stallion, and special racing
663 awards shall be remitted monthly to the respective breeders
664 association for the payment of awards, subject to the
665 administrative fees authorized under chapter 550, Florida
666 Statutes.

667 (c) An electronic gaming machine license or renewal thereof

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668 may not be issued to an applicant licensed to conduct intertrack
669 wagering under s. 550.6308, Florida Statutes, unless the
670 applicant has on file with the division a binding written
671 agreement between the applicant and the Florida Thoroughbred
672 Breeders' Association, Inc., dedicating to the payment of
673 breeders', stallion, and special racing awards on live
674 thoroughbred races conducted in this state at least the same
675 percentage of electronic gaming machine revenues as the highest
676 percentage of electronic gaming machine revenues dedicated to
677 purses and awards in a current agreement under this subsection
678 by an applicant licensed under chapter 550, Florida Statutes, to
679 conduct live thoroughbred races. At least half of such funds
680 must be distributed as special racing awards.

681 (d) The division shall suspend an electronic gaming machine
682 license if any agreement required under paragraph (a) is
683 terminated or otherwise ceases to operate or if the division
684 determines that the licensee is materially failing to comply
685 with the terms of such agreement. Any suspension shall take
686 place in accordance with chapter 120, Florida Statutes.

687 (e)1. If an agreement required under paragraph (a) cannot
688 be reached prior to the initial issuance of the electronic
689 gaming machine license, either party may request arbitration. In
690 the case of a renewal, if an agreement is not in place 120 days
691 before the scheduled expiration date of the electronic gaming
692 machine license, the applicant shall immediately ask the
693 American Arbitration Association to furnish a list of 11
694 arbitrators, each of whom shall have at least 5 years of
695 commercial arbitration experience and no financial interest in
696 or prior relationship with any party or with an affiliated or

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697 related entity or principal. Each required party to the
698 agreement shall select a single arbitrator from the list within
699 10 days after receipt, and the persons selected shall choose one
700 additional arbitrator from the list within 10 days.

701 2. If an agreement required under paragraph (a) is not in
702 place 60 days after the request under subparagraph 1., in the
703 case of an initial electronic gaming machine license or, in the
704 case of a renewal, 60 days prior to the scheduled expiration
705 date of the license, the matter shall be immediately submitted
706 to mandatory binding arbitration. The three arbitrators selected
707 pursuant to subparagraph 1. shall conduct the arbitration
708 pursuant to the American Arbitration Association Commercial
709 Arbitration Rules and chapter 682, Florida Statutes.

710 3. At the conclusion of the proceedings, which may be no
711 later than 90 days after the request under subparagraph 1. in
712 the case of an initial electronic gaming machine license or, in
713 the case of a renewal, 30 days prior to the scheduled expiration
714 date of the electronic gaming machine license, the arbitration
715 panel shall present to the parties a proposed agreement that the
716 majority of the panel believes equitably balances the rights,
717 interests, obligations, and reasonable expectations of the
718 parties. The parties shall immediately enter into such
719 agreement, which shall satisfy the requirements of paragraph (a)
720 and permit issuance of the pending annual electronic gaming
721 machine license or renewal. The agreement shall be effective
722 until the last day of the license or renewal period or until the
723 parties enter into a different agreement. Each party shall pay
724 its respective costs of arbitration and shall pay one-half of
725 the costs of the arbitration panel, unless the parties otherwise

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726 agree. If the agreement remains in place 120 days prior to the
727 scheduled issuance of the next annual license renewal, the
728 arbitration process established in this paragraph shall begin
729 again.

730 4. If neither agreement required under paragraph (a) is in
731 place by the deadlines established in this paragraph,
732 arbitration regarding each agreement shall proceed
733 independently, with separate lists of arbitrators, arbitration
734 panels, arbitration proceedings, and resulting agreements.

735 5. With respect to the agreement required under paragraph
736 (a) governing the payment of purses, the arbitration and
737 resulting agreement is limited to the payment of purses from
738 electronic gaming machine revenues only.

739 (f) If any provision of this subsection or its application
740 to any person or circumstance is held invalid, the invalidity
741 does not affect other provisions or applications of this
742 subsection or act which can be given effect without the invalid
743 provision or application, and to this end the provisions of this
744 subsection are severable.

745 Section 6. Temporary licenses.—

746 (1) Notwithstanding any provision of s. 120.60, Florida
747 Statutes, to the contrary, the division may issue a temporary
748 occupational license upon receipt of a complete application and
749 a determination that the applicant has not been convicted of or
750 had adjudication withheld on any disqualifying criminal offense.
751 The temporary occupational license remains valid until the
752 division grants an occupational license or notifies the
753 applicant of its intended decision to deny the license pursuant
754 to the provisions of s. 120.60, Florida Statutes. The division

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755 shall adopt rules to administer this section. However, not more
756 than one temporary license may be issued for any person in any
757 year.

758 (2) A temporary license issued under this section is not
759 transferable.

760 Section 7. Electronic gaming machine license renewal.—

761 (1) An electronic gaming machine license is effective for 1
762 year after issuance and may be renewed annually. The application
763 for renewal must contain all revisions to the information
764 submitted in the prior year's application which are necessary to
765 maintain such information as accurate and current.

766 (2) The applicant for renewal must attest that any
767 information changes do not affect such applicant's
768 qualifications for license renewal.

769 (3) Upon determination by the division that the application
770 for renewal is complete and qualifications have been met,
771 including payment of the renewal fee, the license shall be
772 renewed.

773 Section 8. License fee; tax rate; penalties.—

774 (1) LICENSE FEE.—

775 (a) Upon submission of the initial application for an
776 electronic gaming machine license or upon submission of an
777 application to renew a license, the licensee must pay to the
778 division a nonrefundable license fee of \$1 million for the
779 succeeding 12 months of licensure. The fee shall be deposited
780 into the Pari-mutuel Wagering Trust Fund of the Department of
781 Business and Professional Regulation to be used by the division
782 and the Department of Law Enforcement for investigations,
783 regulation of electronic gaming, and enforcement of electronic

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784 gaming provisions. These payments shall be accounted for
785 separately from taxes or fees paid pursuant to the provisions of
786 chapter 550 or chapter 551, Florida Statutes.

787 (b) The division shall evaluate the license fee and submit
788 recommendations in its legislative budget request identifying
789 the optimum level of electronic gaming machine license fees
790 required to adequately support the electronic gaming machine
791 regulatory program.

792 (c) Notwithstanding s. 550.135(2), Florida Statutes, all
793 fees and fines collected pursuant to this chapter shall remain
794 in the Pari-Mutuel Wagering Trust Fund for use by the division
795 for regulation of electronic gaming machines and electronic
796 games.

797 (2) TAX ON ELECTRONIC GAMING MACHINE REVENUES.—

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

800 (b) The electronic gaming machine revenue tax imposed by
801 this section shall be paid to the division for deposit into the
802 Pari-mutuel Wagering Trust Fund for immediate transfer by the
803 Chief Financial Officer for deposit into the Educational
804 Enhancement Trust Fund of the Department of Education. Any
805 interest earnings on the tax revenues shall also be transferred
806 to the Educational Enhancement Trust Fund.

807 (c)1. Funds transferred to the Educational Enhancement
808 Trust Fund shall be used to supplement public education funding
809 statewide.

810 2. If necessary to comply with any covenant established
811 pursuant to s. 1013.68(4), s. 1013.70(1), or s. 1013.737(3),
812 Florida Statutes, funds transferred to the Educational

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813 Enhancement Trust Fund shall first be available to pay debt
814 service on lottery bonds issued to fund school construction in
815 the event lottery revenues are insufficient for such purpose or
816 to satisfy debt service reserve requirements established in
817 connection with lottery bonds. Moneys available pursuant to this
818 subparagraph are subject to annual appropriation by the
819 Legislature.

820 (3) PAYMENT AND DISPOSITION OF TAXES.—Payment for the tax
821 on electronic gaming machine revenues imposed by this section
822 shall be paid to the division. The division shall deposit such
823 funds with the Chief Financial Officer, to the credit of the
824 Pari-mutuel Wagering Trust Fund. The electronic gaming machine
825 licensee shall remit to the division payment for the tax on
826 electronic gaming machine revenues by 3 p.m. on the 5th calendar
827 day of each month for taxes imposed and collected for the
828 preceding calendar month. The electronic gaming machine licensee
829 shall file a report under oath by the 5th day of each calendar
830 month for all taxes remitted during the preceding calendar
831 month. Such payments shall be accompanied by a report under oath
832 showing all electronic gaming machine activities for the
833 preceding calendar month and such other information as may be
834 prescribed by the division.

835 (4) FAILURE TO PAY TAX; PENALTIES.—An electronic gaming
836 machine licensee who does not make tax payments required under
837 this section is subject to an administrative penalty of up to
838 \$10,000 for each day the tax payment is not remitted. All
839 administrative penalties imposed and collected shall be
840 deposited into the Pari-mutuel Wagering Trust Fund of the
841 Department of Business and Professional Regulation. If an

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842 electronic gaming machine licensee does not pay penalties
843 imposed by the division, the division may suspend, revoke, or
844 refuse to renew the license of the electronic gaming machine
845 licensee.

846 (5) SUBMISSION OF FUNDS.—The division may require
847 electronic gaming machine licensees to remit taxes, fees, fines,
848 and assessments by electronic funds transfer.

849 Section 9. Electronic gaming machine occupational license;
850 findings; application; fee.—

851 (1) The Legislature finds that licensees and persons
852 associated with licensees require heightened state scrutiny. As
853 such licensees and persons associated with licensees shall
854 submit fingerprints for a criminal history records check.

855 (2) (a) The following electronic gaming machine occupational
856 licenses are required for persons who, by virtue of the
857 positions they hold, potentially may have access to electronic
858 gaming machine areas or to any other person or entity in one of
859 the following categories:

860 1. General occupational licenses for general employees,
861 including food service, maintenance, and other similar service
862 and support employees having access to an electronic gaming
863 machine area.

864 2. Professional occupational licenses for any person,
865 proprietorship, partnership, corporation, or other entity that
866 is authorized by an electronic gaming machine licensee to
867 manage, oversee, or otherwise control daily operations as an
868 electronic gaming machine manager, floor supervisor, security
869 personnel, or other similar position of oversight of gaming
870 operations, or any person who is not an employee of the

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871 electronic gaming machine licensee and who provides maintenance,
872 repair, or upgrades or otherwise services an electronic gaming
873 machine or other electronic gaming machine equipment.

874 3. Business occupational licenses for any electronic gaming
875 machine management company or company associated with electronic
876 gaming, any person who manufactures, distributes, or sells
877 electronic gaming machines, electronic gaming machine
878 paraphernalia, or other associated equipment to electronic
879 gaming machine licensees, or any company that sells or provides
880 goods or services associated with electronic gaming to
881 electronic gaming machine licensees.

882 (b) The division may issue one license in order to combine
883 licenses under this section with pari-mutuel occupational
884 licenses and cardroom licenses pursuant to s. 550.105(2) (b),
885 Florida Statutes. The division shall adopt rules pertaining to
886 occupational licenses under this subsection. Such rules may
887 specify requirements and restrictions for licensed occupations
888 and categories, procedures to apply for a license or combination
889 of licenses, disqualifying criminal offenses for a licensed
890 occupation or categories of occupations, and which types of
891 occupational licenses may be combined into a single license. The
892 fingerprinting requirements of subsection (10) apply to any
893 combination license that includes electronic gaming machine
894 license privileges. The division may not adopt a rule allowing
895 the issuance of an occupational license to any person who does
896 not meet the minimum background qualifications of this section.

897 (c) Electronic gaming machine occupational licenses are not
898 transferable.

899 (3) An electronic gaming machine licensee may not employ or

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900 otherwise allow a person to work at a licensed facility unless
901 such person holds the appropriate valid occupational license. An
902 electronic gaming machine licensee may not contract or otherwise
903 conduct business with a business that is required to hold an
904 electronic gaming machine occupational license unless the
905 business holds such a license. An electronic gaming machine
906 licensee may not employ or otherwise allow a person to work in a
907 supervisory or management professional level at a licensed
908 facility unless such person holds a valid electronic gaming
909 machine occupational license. All electronic gaming machine
910 occupational licensees, while present in electronic gaming
911 machine areas, shall display on their persons their occupational
912 license identification cards.

913 (4) (a) A person seeking an electronic gaming machine
914 occupational license or renewal thereof shall apply on forms
915 prescribed by the division and include payment of the
916 appropriate application fee. Initial and renewal applications
917 for electronic gaming machine occupational licenses must contain
918 all information that the division, by rule, requires.

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

922 (c) Pursuant to rules adopted by the division, any person
923 may apply for and, if qualified, be issued an electronic gaming
924 machine occupational license. The license shall be valid for a
925 period of 3 years upon payment of the full occupational license
926 fee for each of the 3 years for which the license is issued. The
927 electronic gaming machine occupational license is valid during
928 its specified term at any licensed facility where electronic

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929 gaming machine gaming is authorized.

930 (d) The electronic gaming machine occupational license fee
931 for initial application and annual renewal shall be determined
932 by rule of the division, but may not exceed \$50 for a general or
933 professional occupational license for an employee of the
934 electronic gaming machine licensee or \$1,000 for a business
935 occupational license for nonemployees of the licensee who
936 provide goods or services to the electronic gaming machine
937 licensee. License fees for general occupational licenses shall
938 be paid by the electronic gaming machine licensee. Failure to
939 pay the required fee constitutes grounds for disciplinary action
940 by the division against the electronic gaming machine licensee,
941 but it is not a violation of this act or rules of the division
942 by the general occupational licensee and does not prohibit the
943 initial issuance or the renewal of the general occupational
944 license.

945 (5) The division may:

946 (a) Deny an application for, or revoke, suspend, or place
947 conditions or restrictions on, a license of an applicant or
948 licensee that has been refused a license by another state gaming
949 commission, governmental department, agency, or other authority
950 exercising regulatory jurisdiction over the gaming of another
951 state or jurisdiction; or

952 (b) Deny an application for, or suspend, or place
953 conditions on a license of any applicant or licensee that is
954 under suspension or has unpaid fines in another state or
955 jurisdiction.

956 (6) (a) The division may deny, suspend, revoke, or refuse to
957 renew any electronic gaming machine occupational license if the

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958 applicant or licensee has violated this act or the rules
959 governing the conduct of persons connected with electronic games
960 or electronic gaming. In addition, the division may deny,
961 suspend, revoke, or refuse to renew any electronic gaming
962 machine occupational license if the applicant or licensee has
963 been convicted under the laws of this state or of another state,
964 or under the laws of the United States, of a capital felony, a
965 felony, or an offense in another state which would be a felony
966 under the laws of this state involving arson; trafficking in,
967 conspiracy to traffic in, smuggling, importing, conspiracy to
968 smuggle or import, or delivery, sale, or distribution of a
969 controlled substance; racketeering; or a crime showing a lack of
970 good moral character, or has had a gaming license revoked by
971 this state or another jurisdiction for any gaming-related
972 offense.

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

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

983 (7) The division may deny, revoke, or suspend any
984 occupational license if the applicant or licensee accumulates
985 unpaid obligations, defaults in obligations, or issues drafts or
986 checks that are dishonored or for which payment is refused

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987 without reasonable cause.

988 (8) The division may fine or suspend, revoke, or place
989 conditions upon the license of any licensee who provides false
990 information under oath regarding an application for a license or
991 an investigation by the division.

992 (9) The division may impose a civil fine of up to \$5,000
993 for each violation of this act or the rules of the division in
994 addition to or in lieu of any other penalty. The division may
995 adopt a penalty schedule for violations for which it would
996 impose a fine in lieu of a suspension and adopt rules allowing
997 for the issuance of citations, including procedures to address
998 such citations, to persons who violate such rules. In addition
999 to any other penalty provided by law, the division may exclude
1000 from all licensed electronic gaming machine facilities in this
1001 state, for a period not to exceed the period of suspension,
1002 revocation, or ineligibility, any person whose occupational
1003 license application has been refused or who has been declared
1004 ineligible to hold an occupational license or whose occupational
1005 license has been suspended or revoked by the division.

1006 (10) Fingerprints for electronic gaming machine
1007 occupational license applications shall be taken in a manner
1008 approved by the division and shall be submitted electronically
1009 to the Department of Law Enforcement for state processing and to
1010 the Federal Bureau of Investigation for national processing for
1011 a criminal history record check. All persons as specified in s.
1012 550.1815(1)(a), Florida Statutes, who are employed by or working
1013 within licensed premises shall submit fingerprints for a
1014 criminal history records check and may not have been convicted
1015 of any disqualifying criminal offenses specified in subsection

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1016 (6). Division employees and law enforcement officers assigned to
1017 work within such premises as part of their official duties are
1018 excluded from the criminal history record check requirements. As
1019 used in this subsection, the term "convicted" means having been
1020 found guilty, with or without adjudication of guilt, as a result
1021 of a jury verdict, nonjury trial, or entry of a plea of guilty
1022 or nolo contendere.

1023 (a) Fingerprints shall be taken in a manner approved by the
1024 division upon initial application, or as required thereafter by
1025 rule of the division, and shall be submitted electronically to
1026 the Department of Law Enforcement for state processing. The
1027 Department of Law Enforcement shall forward the fingerprints to
1028 the Federal Bureau of Investigation for national processing. The
1029 results of the criminal history record check shall be returned
1030 to the division for screening. Licensees shall provide necessary
1031 equipment, approved by the Department of Law Enforcement, to
1032 facilitate such electronic submission. The division requirements
1033 shall be instituted in consultation with the Department of Law
1034 Enforcement.

1035 (b) The cost of processing fingerprints and conducting a
1036 criminal history records check for a general occupational
1037 license shall be paid by the electronic gaming machine licensee.
1038 The cost of processing fingerprints and conducting a criminal
1039 history record check for a business or professional occupational
1040 license shall be paid by the person being checked. The
1041 Department of Law Enforcement may invoice the division for the
1042 fingerprints submitted each month.

1043 (c) All fingerprints submitted to the Department of Law
1044 Enforcement shall be retained by the Department of Law

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1045 Enforcement and entered into the statewide automated fingerprint
1046 identification system as authorized by s. 943.05(2)(b), Florida
1047 Statutes, and shall be available for all purposes and uses
1048 authorized for arrest fingerprint cards in the statewide
1049 automated fingerprint identification system pursuant to s.
1050 943.051, Florida Statutes.

1051 (d) The Department of Law Enforcement shall search all
1052 arrest fingerprints received pursuant to s. 943.051, Florida
1053 Statutes, against the fingerprints retained in the statewide
1054 automated fingerprint identification system. Any arrest record
1055 that is identified with the retained fingerprints of a person
1056 subject to the criminal history screening requirements shall be
1057 reported to the division. Each licensed facility shall pay a fee
1058 for the cost of retention of the fingerprints and the ongoing
1059 searches under this paragraph. The division shall forward the
1060 fee to the Department of Law Enforcement. The amount of the fee
1061 to be imposed for such searches and the procedures for the
1062 retention of licensee fingerprints shall be as established by
1063 rule of the Department of Law Enforcement. The division shall
1064 inform the Department of Law Enforcement of any change in the
1065 license status of licensees whose fingerprints are retained.

1066 (e) The division shall request the Department of Law
1067 Enforcement to forward the fingerprints to the Federal Bureau of
1068 Investigation for a national criminal history records check
1069 every 3 years following issuance of a license. If the
1070 fingerprints of a person who is licensed have not been retained
1071 by the Department of Law Enforcement, the person must file a
1072 complete set of fingerprints as provided in paragraph (a). The
1073 division shall collect the fees for the cost of the national

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1074 criminal history record check and shall forward the payment to
1075 the Department of Law Enforcement. The cost of processing
1076 fingerprints and conducting a criminal history record check for
1077 a general occupational license shall be paid by the electronic
1078 gaming machine licensee. The cost of processing fingerprints and
1079 conducting a criminal history record check for a business or
1080 professional occupational license shall be paid by the person
1081 being checked. The Department of Law Enforcement may invoice the
1082 division for the fingerprints submitted each month. Under
1083 penalty of perjury, each person who is licensed or fingerprinted
1084 must agree to inform the division within 48 hours if he or she
1085 is convicted of or enters a plea of guilty or nolo contendere to
1086 any disqualifying offense, regardless of adjudication.

1087 (11) All moneys collected pursuant to this section shall be
1088 deposited into the Pari-mutuel Wagering Trust Fund.

1089 Section 10. Prohibited relationships.-

1090 (1) A person employed by or performing any function on
1091 behalf of the division may not:

1092 (a) Be an officer, director, owner, or employee of any
1093 person or entity licensed by the division.

1094 (b) Have or hold any interest, direct or indirect, in or
1095 engage in any commerce or business relationship with any person
1096 licensed by the division.

1097 (2) A manufacturer or distributor of electronic gaming
1098 machines may not enter into any contract with an electronic
1099 gaming machine licensee which provides for any revenue sharing
1100 that is directly or indirectly calculated on the basis of a
1101 percentage of electronic gaming machine revenues. Any agreement
1102 in violation of this subsection is void.

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1103 (3) A manufacturer or distributor of electronic gaming
1104 machines or equipment necessary for the operation of electronic
1105 gaming machines or an officer, director, or employee of any such
1106 manufacturer or distributor may not have any ownership or
1107 financial interest in an electronic gaming machine license or
1108 any business owned by an electronic gaming machine licensee.

1109 (4) An employee of the division or relative living in the
1110 same household as the employee may not wager on an electronic
1111 gaming machine located at a facility licensed by the division.

1112 (5) An occupational licensee or relative living in the same
1113 household as the licensee may not wager on an electronic gaming
1114 machine located at a facility operated by such licensee.

1115 Section 11. Prohibited acts; penalties.—

1116 (1) Except as otherwise provided by law and in addition to
1117 any other penalty, a person who knowingly makes or causes to be
1118 made, or aids, assists, or procures another to make, a false
1119 statement in any report, disclosure, application, or other
1120 document required under any law or rule regulating electronic
1121 gaming is subject to an administrative fine or civil penalty of
1122 up to \$10,000.

1123 (2) Except as otherwise provided by law and in addition to
1124 any other penalty, a person who possesses an electronic gaming
1125 machine without a license or who possesses an electronic gaming
1126 machine at a location other than at the electronic gaming
1127 machine licensee's facility is subject to an administrative fine
1128 or civil penalty of up to \$10,000 per machine. This prohibition
1129 does not apply to:

1130 (a) Electronic gaming machine manufacturers or distributors
1131 that are licensed and authorized to maintain an electronic

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1132 gaming machine storage and maintenance facility in this state.
1133 The division may adopt rules regarding security, inspection, and
1134 access to the storage facility.

1135 (b) Certified educational facilities that are authorized by
1136 the division to maintain electronic gaming machines for the sole
1137 purpose of education and licensure of electronic gaming machine
1138 technicians, inspectors, or investigators. The division and the
1139 Department of Law Enforcement may possess electronic gaming
1140 machines for training and testing purposes. The division may
1141 adopt rules regarding the regulation of such electronic gaming
1142 machines used for the sole purpose of education and licensure of
1143 electronic gaming machine technicians, inspectors, or
1144 investigators.

1145 (3) A person who knowingly excludes or attempts to exclude,
1146 anything of value from the deposit, counting, collection, or
1147 computation of revenues from electronic gaming machine activity,
1148 or a person who by trick, sleight-of-hand performance, fraud or
1149 fraudulent scheme, or device wins or attempts to win, for
1150 himself or herself or for another, money or property or a
1151 combination thereof, or reduces or attempts to reduce a losing
1152 wager in connection with electronic gaming commits a felony of
1153 the third degree, punishable as provided in s. 775.082, s.
1154 775.083, or s. 775.084, Florida Statutes.

1155 (4) Any person who manipulates or attempts to manipulate
1156 the outcome, payoff, or operation of an electronic gaming
1157 machine by physical tampering or the use of an object,
1158 instrument, or device, whether mechanical, electrical, or
1159 magnetic, or by other means, commits a felony of the third
1160 degree, punishable as provided in s. 775.082, s. 775.083, or s.

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1161 775.084, Florida Statutes.

1162 (5) Theft of electronic gaming machine proceeds or property
1163 belonging to an electronic gaming machine operator, licensee, or
1164 licensed facility by an employee of the operator or facility or
1165 by an officer, partner, owner, or employee of a person
1166 contracted to provide services to the operator or facility
1167 constitutes a felony of the third degree, punishable as provided
1168 in s. 775.082 or s. 775.083, Florida Statutes.

1169 (6) (a) A law enforcement officer or electronic gaming
1170 machine operator who has probable cause to believe that a person
1171 has committed a violation of subsection (3), subsection (4), or
1172 subsection (5) and that officer or operator can recover the lost
1173 proceeds from the activity by taking the person into custody
1174 may, for the purpose of attempting to effect the recovery of the
1175 proceeds, take into custody on the premises and detain the
1176 person in a reasonable manner for a reasonable time. If the
1177 operator takes the person into custody, a law enforcement
1178 officer shall be called to the scene immediately. The taking
1179 into custody and detention by a law enforcement officer or
1180 electronic gaming machine operator, if done in compliance with
1181 this subsection, does not render such law enforcement officer,
1182 or the officer's agency, or the electronic gaming machine
1183 operator criminally or civilly liable for false arrest, false
1184 imprisonment, or unlawful detention.

1185 (b) A law enforcement officer may arrest, on or off the
1186 premises and without warrant, any person if the officer has
1187 probable cause to believe that person has violated subsection
1188 (3), subsection (4), or subsection (5).

1189 (c) A person who resists the reasonable effort of a law

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1190 enforcement officer or electronic gaming machine operator to
1191 take into custody a person who is violating subsection (3),
1192 subsection (4), or subsection (5) commits a misdemeanor of the
1193 first degree, punishable as provided in s. 775.082 or s.
1194 775.083, Florida Statutes, unless the person did not know or
1195 have reason to know that the person seeking to take him or her
1196 into custody was a law enforcement officer or electronic gaming
1197 machine operator.

1198 (7) The penalties imposed and collected under this section
1199 must be deposited into the Pari-mutuel Wagering Trust Fund of
1200 the Department of Business and Professional Regulation.

1201 Section 12. Legal devices.—Notwithstanding any provision of
1202 law to the contrary, electronic gaming machines manufactured,
1203 sold, distributed, possessed, or operated pursuant to the laws
1204 and rules regulating electronic gaming are lawful in this state.
1205 An electronic game or electronic gaming machine may not enter
1206 the state until it has been tested and certified by a licensed
1207 testing laboratory, and certified for play in the state. The
1208 division shall adopt rules regarding the testing, certification,
1209 control, and approval of electronic games and electronic gaming
1210 machines entering, departing, or moving within the state.

1211 Section 13. Exclusions of certain persons.—In addition to
1212 the power to exclude certain persons, the division may exclude
1213 any person from a facility of an electronic gaming machine
1214 licensee in this state for conduct that would constitute, if the
1215 person were a licensee, a violation of this act or the rules of
1216 the division. The division may exclude a person who has been
1217 ejected from a gaming facility or who has been excluded from a
1218 gaming facility in another state by the governmental authority

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1219 exercising regulatory jurisdiction over the gaming in such other
1220 state. This section does not abrogate the common law right of an
1221 electronic gaming machine licensee to exclude a patron.

1222 Section 14. Persons prohibited from operating electronic
1223 gaming machines.—

1224 (1) A person who has not attained 18 years of age may not
1225 operate or play an electronic gaming machine or have access to
1226 the designated electronic gaming machine area.

1227 (2) An electronic gaming machine licensee or agent or
1228 employee of an electronic gaming machine licensee may not
1229 knowingly allow a person who has not attained 18 years of age
1230 to:

1231 (a) Play or operate an electronic gaming machine.

1232 (b) Be employed in any position allowing or requiring
1233 access to the designated gaming area of a facility of an
1234 electronic gaming machine licensee.

1235 (c) Have access to the designated electronic gaming machine
1236 area of a facility of an electronic gaming machine licensee.

1237 (3) A licensed facility shall post clear and conspicuous
1238 signage within the designated electronic gaming machine areas
1239 which states:

1241 THE PLAYING OF ELECTRONIC GAMING MACHINES BY PERSONS UNDER THE
1242 AGE OF 18 IS AGAINST FLORIDA LAW (CITE TO FLORIDA STATUTES
1243 SECTION). PROOF OF AGE MAY BE REQUIRED AT ANY TIME.

1244 Section 15. Electronic gaming machine areas.—

1245 (1) An electronic gaming machine licensee may make
1246 available for play up to 1,000 electronic gaming machines within
1247 an eligible facility in a designated electronic gaming machine

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1248 area. No more than 1,000 electronic gaming machines shall be
1249 authorized at a facility regardless of the number of
1250 permitholders conducting operations at that facility.

1251 (2) The electronic gaming machine licensee shall display
1252 pari-mutuel races or games within the designated electronic
1253 gaming machine areas and offer patrons within such areas the
1254 opportunity to wager on live, intertrack, and simulcast races.

1255 (3) The division shall require the posting of signs warning
1256 of the risks and dangers of gambling, showing the odds of
1257 winning, and informing patrons of the toll-free telephone number
1258 available to provide information and referral services regarding
1259 compulsive or problem gambling.

1260 (4) Designated electronic gaming machine areas may be
1261 located within a live gaming facility or an existing building
1262 that is contiguous and connected to the live gaming facility. If
1263 such gaming area is to be located in a building that is not yet
1264 constructed, the new building must be contiguous and connected
1265 to the live gaming facility.

1266 (5) An electronic gaming machine licensee shall provide
1267 adequate office space at no cost to the division and the
1268 Department of Law Enforcement for the oversight of electronic
1269 gaming machine operations. The division shall adopt rules
1270 establishing criteria for adequate space, configuration, and
1271 location and needed electronic and technological requirements.

1272 Section 16. Days and hours of operation.—Electronic gaming
1273 machine areas may be open daily throughout the year. They may be
1274 open a cumulative total of 18 hours per day on Monday through
1275 Friday and 24 hours per day on Saturday and Sunday and on
1276 holidays specified in s. 110.117(1), Florida Statutes.

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1277 Section 17. Penalties.—The division may revoke or suspend
1278 an electronic gaming machine license issued under this act upon
1279 the willful violation by the licensee of any law or rule
1280 regulating electronic gaming. In lieu of suspending or revoking
1281 an electronic gaming machine license, the division may impose a
1282 civil penalty against the licensee for such violation. Except as
1283 otherwise provided in this act, the division may not impose a
1284 penalty that exceeds \$100,000 for each count or separate
1285 offense. All fines collected must be deposited into the Pari-
1286 mutuel Wagering Trust Fund of the Department of Business and
1287 Professional Regulation.

1288 Section 18. Compulsive or addictive gambling prevention
1289 program.—

1290 (1) Each electronic gaming machine licensee shall offer
1291 training to employees on responsible gaming and shall work with
1292 a compulsive or addictive gambling prevention program to
1293 recognize problem gaming situations and implement responsible
1294 gaming programs and practices.

1295 (2) The division shall, subject to competitive bidding,
1296 contract for services related to the prevention of compulsive
1297 and addictive gambling. The contract shall require an
1298 advertising program to encourage responsible gaming practices
1299 and publicize a gambling telephone help line. Such
1300 advertisements must be made both publicly and inside the
1301 designated electronic gaming machine areas of the licensee's
1302 facilities. The terms of any contract for such services shall
1303 include accountability standards for any private provider. The
1304 failure of a private provider to meet any material term of the
1305 contract, including the accountability standards, constitutes a

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1306 breach of contract or grounds for nonrenewal.

1307 (3) The compulsive or addictive gambling prevention program
1308 shall be funded from an annual nonrefundable regulatory fee of
1309 \$250,000 paid by each licensee.

1310 Section 19. Caterer's license.—An electronic gaming machine
1311 licensee is entitled to a caterer's license pursuant to s.
1312 565.02, Florida Statutes, on days on which the pari-mutuel
1313 facility is open to the public for electronic gaming machine
1314 play.

1315 Section 20. Prohibited activities and devices; exceptions.

1316 (1) Complimentary or reduced-cost alcoholic beverages may
1317 not be served to persons in the designated electronic gaming
1318 machine area. Alcoholic beverages served to persons in the
1319 designated electronic gaming machine area shall cost at least
1320 the same amount as alcoholic beverages served to the general
1321 public at any bar within the facility.

1322 (2) An electronic gaming machine licensee may not make
1323 loans, provide credit, or advance cash to enable a person to
1324 play an electronic gaming machine. This subsection does not
1325 prohibit automated ticket redemption machines that dispense cash
1326 from the redemption of tickets from being located in the
1327 designated electronic gaming machine area.

1328 (3) An automated teller machine or similar device designed
1329 to provide credit or dispense cash may not be located within the
1330 designated electronic gaming machine area.

1331 (4) (a) An electronic gaming machine licensee may not accept
1332 or cash a check from any person within the designated electronic
1333 gaming machine area of a facility.

1334 (b) Except as provided in paragraph (c) for employees of

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1335 the facility, an electronic gaming machine licensee may not
1336 accept or cash for any person within the facility a government-
1337 issued check, third-party check, or payroll check made payable
1338 to an individual.

1339 (c) Outside the designated electronic gaming machine area,
1340 an electronic gaming machine licensee or operator may accept or
1341 cash a check for an employee of the facility who is prohibited
1342 from wagering on an electronic gaming machine under s.
1343 551.108(5), Florida Statutes, a check made directly payable to a
1344 person licensed by the division, or a check made directly
1345 payable to the licensee or operator from:

- 1346 1. A pari-mutuel patron; or
- 1347 2. A pari-mutuel facility in any state.

1348 (d) Unless accepting or cashing a check is prohibited by
1349 this subsection, an electronic gaming machine licensee or
1350 operator may accept and deposit in its accounts checks received
1351 in the normal course of business.

1352 (5) An electronic gaming machine, or the computer operating
1353 system linked to an electronic gaming machine, may be linked to
1354 any other electronic gaming machine or computer operating system
1355 within this state.

1356 (6) An electronic gaming machine located within a licensed
1357 facility may accept tickets or electronic or account-based cards
1358 for wagering. Such machines may return or deliver payouts to the
1359 players in the form of tickets or electronic or account-based
1360 credits that may be exchanged for cash, merchandise, or other
1361 items of value. The use of coins, currency, credit or debit
1362 cards, tokens, or similar objects is prohibited.

1363 Section 21. Rulemaking.—The division may adopt rules to

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1364 administer this act.

1365 Section 22. Preemption.—The Legislature finds and declares
1366 that it has exclusive authority over the conduct of all wagering
1367 occurring at electronic gaming machine facilities in this state.
1368 Only the Division of Pari-mutuel Wagering and other authorized
1369 state agencies may administer this act and regulate the
1370 electronic gaming machine industry, including operation of
1371 electronic gaming machine facilities, games, electronic gaming
1372 machines, and facilities-based computer systems authorized in
1373 this act and the rules adopted by the division.

1374 Section 23. Application to bingo games operated by
1375 charitable or nonprofit organizations.—Sections 1 through 22 of
1376 this act do not apply to the use of player-operated bingo aides
1377 used in bingo games conducted by charitable, nonprofit, or
1378 veterans' organizations authorized to conduct bingo under s.
1379 849.0931, Florida Statutes. Sections 1 through 22 of this act do
1380 not apply to game promotions or operators regulated under s.
1381 849.094, Florida Statutes.

1382 Section 24. Paragraph (x) is added to subsection (1) of
1383 section 215.22, Florida Statutes, to read:

1384 215.22 Certain income and certain trust funds exempt.—

1385 (1) The following income of a revenue nature or the
1386 following trust funds shall be exempt from the appropriation
1387 required by s. 215.20(1):

1388 (x) Taxes imposed on electronic gaming and electronic
1389 gaming machines at eligible pari-mutuel facilities.

1390 Section 25. The Department of Business and Professional
1391 Regulation may expend the unreserved cash balance in the Pari-
1392 mutuel Wagering Trust Fund received from other revenue sources

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1393 to implement electronic gaming regulation and investigations
1394 during the 2009-2010 fiscal year. Before the use of such other
1395 revenues, the department shall submit a repayment plan for
1396 approval by the Executive Office of the Governor in consultation
1397 with the chair and vice chair of the Legislative Budget
1398 Commission. The department shall repay such funds using
1399 electronic gaming machine license revenue sources by April 1,
1400 2010. The repaid funds are subject to the requirements of s.
1401 550.135(2), Florida Statutes.

1402 Section 26. Present subsections (11), (32), and (38) of
1403 section 550.002, Florida Statutes, are amended, a new subsection
1404 (15) is added to that section, and present subsections (15)
1405 through (39) of that section are renumbered as subsections (16)
1406 through (40), respectively, to read:

1407 550.002 Definitions.—As used in this chapter, the term:

1408 (11) "Full schedule of live racing or games" means, for a
1409 greyhound or jai alai permitholder, the conduct of a combination
1410 of at least 100 live evening or matinee performances during the
1411 preceding year; for a permitholder who has a converted permit or
1412 filed an application on or before June 1, 1990, for a converted
1413 permit, the conduct of a combination of at least 100 live
1414 evening and matinee wagering performances during either of the 2
1415 preceding years; for a jai alai permitholder who does not
1416 operate slot machines, electronic gaming machines, or historical
1417 racing systems in its pari-mutuel facility, who has conducted at
1418 least 100 live performances per year for at least 10 years after
1419 December 31, 1992, and whose handle on live jai alai games
1420 conducted at its pari-mutuel facility has been less than \$4
1421 million per state fiscal year for at least 2 consecutive years

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1422 after June 30, 1992, the conduct of a combination of at least 40
1423 live evening or matinee performances during the preceding year;
1424 for a jai alai permitholder who operates slot machines
1425 electronic gaming machines, or historical racing systems in its
1426 pari-mutuel facility, the conduct of a combination of at least
1427 150 performances during the preceding year; for a harness
1428 permitholder, the conduct of at least 100 live regular wagering
1429 performances during the preceding year; for a quarter horse
1430 permitholder, at the permitholder's facility in the year 2009,
1431 the conduct of at least 20 live regular wagering performances,
1432 in the years 2010 and 2011, the conduct of at least 30 live
1433 regular wagering performances, and for every year after the year
1434 2011, the conduct of at least 40 live regular wagering
1435 performances ~~during the preceding year;~~ for a quarter horse
1436 permitholder leasing another licensed racetrack, the conduct of
1437 160 events at the leased facility; and for a thoroughbred
1438 permitholder, the conduct of at least 40 live regular wagering
1439 performances during the preceding year. For a permitholder which
1440 is restricted by statute to certain operating periods within the
1441 year when other members of its same class of permit are
1442 authorized to operate throughout the year, the specified number
1443 of live performances which constitute a full schedule of live
1444 racing or games shall be adjusted pro rata in accordance with
1445 the relationship between its authorized operating period and the
1446 full calendar year and the resulting specified number of live
1447 performances shall constitute the full schedule of live games
1448 for such permitholder and all other permitholders of the same
1449 class within 100 air miles of such permitholder. A live
1450 performance must consist of no fewer than eight races or games

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1451 conducted live for each of a minimum of three performances each
1452 week at the permitholder's licensed facility under a single
1453 admission charge.

1454 (15) "Historical racing system" means a form of pari-mutuel
1455 wagering based on audio or video signals of in-state or out-of-
1456 state races which are sent from an in-state server and operated
1457 by a licensed totalisator company and which are displayed at
1458 individual wagering terminals at a licensed pari-mutuel
1459 facility.

1460 (33)~~(32)~~ "Simulcasting" means broadcasting events occurring
1461 live or recorded at an in-state location to an out-of-state
1462 location, or receiving at an in-state location events occurring
1463 live or recorded at an out-of-state location, by the
1464 transmittal, retransmittal, reception, and rebroadcast of
1465 television or radio signals by wire, cable, satellite,
1466 microwave, or other electrical or electronic means for receiving
1467 or rebroadcasting the events.

1468 (39)~~(38)~~ "Year," for purposes of determining a full
1469 schedule of live racing, means the state fiscal ~~calendar~~ year.

1470 Section 27. Subsection (3) of section 550.01215, Florida
1471 Statutes, is amended to read:

1472 550.01215 License application; periods of operation; bond,
1473 conversion of permit.—

1474 (3) ~~Except as provided in s. 550.5251 for thoroughbred~~
1475 ~~racing,~~ The division shall issue each license no later than
1476 March 15. Each permitholder shall operate all performances at
1477 the date and time specified on its license. The division shall
1478 have the authority to approve minor changes in racing dates
1479 after a license has been issued. The division may approve

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1480 changes in racing dates after a license has been issued when
1481 there is no objection from any operating permitholder located
1482 within 50 miles of the permitholder requesting the changes in
1483 operating dates. In the event of an objection, the division
1484 shall approve or disapprove the change in operating dates based
1485 upon the impact on operating permitholders located within 50
1486 miles of the permitholder requesting the change in operating
1487 dates. In making the determination to change racing dates, the
1488 division shall take into consideration the impact of such
1489 changes on state revenues.

1490 Section 28. Paragraph (b) of subsection (1) and subsections
1491 (5) and (6) of section 550.0951, Florida Statutes, are amended
1492 to read:

1493 550.0951 Payment of daily license fee and taxes;
1494 penalties.—

1495 (1)

1496 (b) Each permitholder that cannot utilize the full amount
1497 of the exemption of \$360,000 or \$500,000 provided in s.
1498 550.09514(1) or the daily license fee credit provided in this
1499 section may, after notifying the division in writing, elect once
1500 per state fiscal year on a form provided by the division to
1501 transfer such exemption or credit or any portion thereof to any
1502 greyhound permitholder which acts as a host track to such
1503 permitholder for the purpose of intertrack wagering. Once an
1504 election to transfer such exemption or credit is filed with the
1505 division, it shall not be rescinded. The division shall
1506 disapprove the transfer when the amount of the exemption or
1507 credit or portion thereof is unavailable to the transferring
1508 permitholder or when the permitholder who is entitled to

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1509 transfer the exemption or credit or who is entitled to receive
1510 the exemption or credit owes taxes to the state pursuant to a
1511 deficiency letter or administrative complaint issued by the
1512 division. Upon approval of the transfer by the division, the
1513 transferred tax exemption or credit shall be effective for the
1514 first performance of the next payment ~~biweekly pay~~ period as
1515 specified in subsection (5). The exemption or credit transferred
1516 to such host track may be applied by such host track against any
1517 taxes imposed by this chapter or daily license fees imposed by
1518 this chapter. The greyhound permitholder host track to which
1519 such exemption or credit is transferred shall reimburse such
1520 permitholder the exact monetary value of such transferred
1521 exemption or credit as actually applied against the taxes and
1522 daily license fees of the host track. The division shall ensure
1523 that all transfers of exemption or credit are made in accordance
1524 with this subsection and shall have the authority to adopt rules
1525 to ensure the implementation of this section.

1526 (5) (a) Each permitholder conducting historical racing
1527 pursuant to 550.810 shall pay a tax equal to 4 percent of the
1528 handle from the historical racing system.

1529 (b) The permitholder, upon authorization to conduct
1530 historical racing pursuant to 550.810 and annually thereafter,
1531 on the anniversary date of the authorization, shall pay a fee to
1532 the division of \$1 million. The fee shall be deposited into the
1533 Pari-mutuel Wagering Trust Fund of the Department of Business
1534 and Professional Regulation to be used by the division and the
1535 Department of Law Enforcement for investigations, regulation of
1536 historic racing, and enforcement of historic racing provisions.

1537 (6) ~~(5)~~ PAYMENT AND DISPOSITION OF FEES AND TAXES.—Payments

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1538 ~~Payment for the admission tax, tax on handle, and the breaks tax~~
1539 imposed by this section shall be paid to the division. The
1540 division shall deposit these sums with the Chief Financial
1541 Officer, to the credit of the Pari-mutuel Wagering Trust Fund,
1542 hereby established. The permitholder shall remit to the division
1543 payment for the daily license fee, the admission tax, the tax on
1544 handle, and the breaks tax. Such payments shall be remitted by 3
1545 p.m. on the 5th day of each calendar month ~~Wednesday of each~~
1546 ~~week~~ for taxes imposed and collected for the preceding calendar
1547 month week ending on Sunday. If the 5th day of the calendar
1548 month falls on a weekend, payments shall be remitted by 3 p.m.
1549 the first Monday following the weekend. Permitholders shall file
1550 a report under oath by the 5th day of each calendar month for
1551 all taxes remitted during the preceding calendar month. Such
1552 payments shall be accompanied by a report under oath showing the
1553 total of all admissions, the pari-mutuel wagering activities for
1554 the preceding calendar month, and such other information as may
1555 be prescribed by the division.

1556 (7) ~~(6)~~ PENALTIES.—

1557 (a) The failure of any permitholder to make payments as
1558 prescribed in subsection (6) ~~(5)~~ is a violation of this section,
1559 and the permitholder may be subjected by the division to a civil
1560 penalty of up to \$1,000 for each day the tax payment is not
1561 remitted. All penalties imposed and collected shall be deposited
1562 in the General Revenue Fund. If a permitholder fails to pay
1563 penalties imposed by order of the division under this
1564 subsection, the division may suspend or revoke the license of
1565 the permitholder, cancel the permit of the permitholder, or deny
1566 issuance of any further license or permit to the permitholder.

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1567 (b) In addition to the civil penalty prescribed in
1568 paragraph (a), any willful or wanton failure by any permitholder
1569 to make payments of the daily license fee, admission tax, tax on
1570 handle, or breaks tax constitutes sufficient grounds for the
1571 division to suspend or revoke the license of the permitholder,
1572 to cancel the permit of the permitholder, or to deny issuance of
1573 any further license or permit to the permitholder.

1574 Section 29. Paragraph (e) of subsection (2) and paragraph
1575 (b) of subsection (3) of section 550.09511, Florida Statutes,
1576 are amended to read:

1577 550.09511 Jai alai taxes; abandoned interest in a permit
1578 for nonpayment of taxes.—

1579 (2) Notwithstanding the provisions of s. 550.0951(3)(b),
1580 wagering on live jai alai performances shall be subject to the
1581 following taxes:

1582 (e) The payment of taxes pursuant to paragraphs (b), (c),
1583 and (d) shall be calculated and commence beginning the day ~~after~~
1584 ~~the biweekly period~~ in which the permitholder is first entitled
1585 to the reduced rate specified in this section and the report of
1586 taxes required by s. 550.0951(5) is submitted to the division.

1587 (3)

1588 (b) The payment of taxes pursuant to paragraph (a) shall be
1589 calculated and commence beginning the day ~~after the biweekly~~
1590 ~~period~~ in which the permitholder is first entitled to the
1591 reduced rate specified in this subsection.

1592 Section 30. Subsection (1) of section 550.09514, Florida
1593 Statutes, is amended to read:

1594 550.09514 Greyhound dogracing taxes; purse requirements.—

1595 (1) Wagering on greyhound racing is subject to a tax on

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1596 handle for live greyhound racing as specified in s. 550.0951(3).
1597 However, each permitholder shall pay no tax on handle until such
1598 time as this subsection has resulted in a tax savings per state
1599 fiscal year of \$360,000. Thereafter, each permitholder shall pay
1600 the tax as specified in s. 550.0951(3) on all handle for the
1601 remainder of the permitholder's current race meet, ~~and the tax~~
1602 ~~must be calculated and commence beginning the day after the~~
1603 ~~biweekly period in which the permitholder reaches the maximum~~
1604 ~~tax savings per state fiscal year provided in this section.~~ For
1605 the three permitholders that conducted a full schedule of live
1606 racing in 1995, and are closest to another state that authorizes
1607 greyhound pari-mutuel wagering, the maximum tax savings per
1608 state fiscal year shall be \$500,000. The provisions of this
1609 subsection relating to tax exemptions shall not apply to any
1610 charity or scholarship performances conducted pursuant to s.
1611 550.0351.

1612 Section 31. Subsections (1), (2), (5), (6), and (10) of
1613 section 550.105, Florida Statutes, are amended to read:

1614 550.105 Occupational licenses of racetrack employees; fees;
1615 denial, suspension, and revocation of license; penalties and
1616 fines.—

1617 (1) Each person connected with a racetrack or jai alai
1618 fronton, as specified in paragraph (2)(a), shall purchase from
1619 the division an ~~annual~~ occupational license, ~~which license is~~
1620 ~~valid from May 1 until June 30 of the following year.~~ All moneys
1621 collected pursuant to this section each fiscal year shall be
1622 deposited into the Pari-mutuel Wagering Trust Fund. ~~Any person~~
1623 ~~may, at her or his option and~~ Pursuant to the rules adopted by
1624 the division, ~~purchase~~ an occupational license may be valid for

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1625 a period of up to 3 years for a fee that does not exceed ~~if the~~
1626 ~~purchaser of the license pays~~ the full occupational license fee
1627 for each of the years for which the license is purchased ~~at the~~
1628 ~~time the 3-year license is requested~~. The occupational license
1629 shall be valid during its specified term at any pari-mutuel
1630 facility.

1631 (2) (a) The following licenses shall be issued to persons or
1632 entities with access to the backside, racing animals, jai alai
1633 players' room, jockeys' room, drivers' room, totalisator room,
1634 the mutuels, or money room, or to persons who, by virtue of the
1635 position they hold, might be granted access to these areas or to
1636 any other person or entity in one of the following categories
1637 and with ~~scheduled annual~~ fees not to exceed the following
1638 amounts as follows:

1639 1. Business licenses: any business such as a vendor,
1640 contractual concessionaire, contract kennel, business owning
1641 racing animals, trust or estate, totalisator company, stable
1642 name, or other fictitious name: \$50.

1643 2. Professional occupational licenses: professional persons
1644 with access to the backside of a racetrack or players' quarters
1645 in jai alai such as trainers, officials, veterinarians, doctors,
1646 nurses, EMT's, jockeys and apprentices, drivers, jai alai
1647 players, owners, trustees, or any management or officer or
1648 director or shareholder or any other professional-level person
1649 who might have access to the jockeys' room, the drivers' room,
1650 the backside, racing animals, kennel compound, or managers or
1651 supervisors requiring access to mutuels machines, the money
1652 room, or totalisator equipment: \$40.

1653 3. General occupational licenses: general employees with

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1654 access to the jockeys' room, the drivers' room, racing animals,
1655 the backside of a racetrack or players' quarters in jai alai,
1656 such as grooms, kennel helpers, leadouts, pelota makers, cesta
1657 makers, or ball boys, or a practitioner of any other occupation
1658 who would have access to the animals, the backside, or the
1659 kennel compound, or who would provide the security or
1660 maintenance of these areas, or mutuel employees, totalisator
1661 employees, money-room employees, or any employee with access to
1662 mutuels machines, the money room, or totalisator equipment or
1663 who would provide the security or maintenance of these areas:
1664 \$10.

1665
1666 The individuals and entities that are licensed under this
1667 paragraph require heightened state scrutiny, including the
1668 submission by the individual licensees or persons associated
1669 with the entities described in this chapter of fingerprints for
1670 a Federal Bureau of Investigation criminal records check.

1671 (b) The division shall adopt rules pertaining to pari-
1672 mutuel occupational licenses, licensing periods, and renewal
1673 cycles.

1674 (5) (a) The division may:

1675 1. Deny a license to or revoke, suspend, or place
1676 conditions upon or restrictions on a license of any person who
1677 has been refused a license by any other state racing commission
1678 or racing authority;

1679 2. Deny, suspend, or place conditions on a license of any
1680 person who is under suspension or has unpaid fines in another
1681 jurisdiction;

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1683 if the state racing commission or racing authority of such other
1684 state or jurisdiction extends to the division reciprocal
1685 courtesy to maintain the disciplinary control.

1686 (b) The division may deny, suspend, revoke, or declare
1687 ineligible any occupational license if the applicant for or
1688 holder thereof has violated the provisions of this chapter or
1689 the rules of the division governing the conduct of persons
1690 connected with racetracks and frontons. In addition, the
1691 division may deny, suspend, revoke, or declare ineligible any
1692 occupational license if the applicant for such license has been
1693 convicted in this state, in any other state, or under the laws
1694 of the United States of a capital felony, a felony, or an
1695 offense in any other state which would be a felony under the
1696 laws of this state involving arson; trafficking in, conspiracy
1697 to traffic in, smuggling, importing, conspiracy to smuggle or
1698 import, or delivery, sale, or distribution of a controlled
1699 substance; or a crime involving a lack of good moral character,
1700 or has had a pari-mutuel license revoked by this state or any
1701 other jurisdiction for an offense related to pari-mutuel
1702 wagering.

1703 (c) The division may deny, declare ineligible, or revoke
1704 any occupational license if the applicant for such license has
1705 been convicted of a felony or misdemeanor in this state, in any
1706 other state, or under the laws of the United States, if such
1707 felony or misdemeanor is related to gambling or bookmaking, as
1708 contemplated in s. 849.25, or involves cruelty to animals. If
1709 the applicant establishes that she or he is of good moral
1710 character, that she or he has been rehabilitated, and that the
1711 crime she or he was convicted of is not related to pari-mutuel

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1712 wagering and is not a capital offense, the restrictions
1713 excluding offenders may be waived by the director of the
1714 division.

1715 (d) For purposes of this subsection, the term "convicted"
1716 means having been found guilty, with or without adjudication of
1717 guilt, as a result of a jury verdict, nonjury trial, or entry of
1718 a plea of guilty or nolo contendere. However, the term
1719 "conviction" does not apply to a crime committed prior to the
1720 effective date of this subsection in a manner that would
1721 invalidate any occupational license issued prior to the
1722 effective date of this subsection or subsequent renewal for any
1723 person holding such a license.

1724 (e)~~(d)~~ If an occupational license will expire by division
1725 rule during the period of a suspension the division intends to
1726 impose, or if a license would have expired but for pending
1727 administrative charges and the occupational licensee is found to
1728 be in violation of any of the charges, the license may be
1729 revoked and a time period of license ineligibility may be
1730 declared. The division may bring administrative charges against
1731 any person not holding a current license for violations of
1732 statutes or rules which occurred while such person held an
1733 occupational license, and the division may declare such person
1734 ineligible to hold a license for a period of time. The division
1735 may impose a civil fine of up to \$1,000 for each violation of
1736 the rules of the division in addition to or in lieu of any other
1737 penalty provided for in this section. In addition to any other
1738 penalty provided by law, the division may exclude from all pari-
1739 mutuel facilities in this state, for a period not to exceed the
1740 period of suspension, revocation, or ineligibility, any person

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1741 whose occupational license application has been denied by the
1742 division, who has been declared ineligible to hold an
1743 occupational license, or whose occupational license has been
1744 suspended or revoked by the division.

1745 (f)~~(e)~~ The division may cancel any occupational license
1746 that has been voluntarily relinquished by the licensee.

1747 (6) In order to promote the orderly presentation of pari-
1748 mutuel meets authorized in this chapter, the division may issue
1749 a temporary occupational license. The division shall adopt rules
1750 to implement this subsection. However, no temporary occupational
1751 license shall be valid for more than 30 days, and no more than
1752 one temporary license may be issued for any person in any year.

1753 (10) (a) Upon application for an occupational license, the
1754 division may require the applicant's full legal name; any
1755 nickname, alias, or maiden name for the applicant; name of the
1756 applicant's spouse; the applicant's date of birth, residence
1757 address, mailing address, residence address and business phone
1758 number, and social security number; disclosure of any felony or
1759 any conviction involving bookmaking, illegal gambling, or
1760 cruelty to animals; disclosure of any past or present
1761 enforcement or actions by any racing or gaming agency against
1762 the applicant; and any information the division determines is
1763 necessary to establish the identity of the applicant or to
1764 establish that the applicant is of good moral character.
1765 Fingerprints shall be taken in a manner approved by the division
1766 and then shall be submitted to the Federal Bureau of
1767 Investigation, or to the association of state officials
1768 regulating pari-mutuel wagering pursuant to the Federal Pari-
1769 mutuel Licensing Simplification Act of 1988. The cost of

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1770 processing fingerprints shall be borne by the applicant and paid
1771 to the association of state officials regulating pari-mutuel
1772 wagering from the trust fund to which the processing fees are
1773 deposited. ~~The division shall require each applicant for an~~
1774 ~~occupational license to have the applicant's signature witnessed~~
1775 ~~and notarized or signed in the presence of a division official.~~
1776 The division, by rule, may require additional information from
1777 licensees which is reasonably necessary to regulate the
1778 industry. The division may, by rule, exempt certain occupations
1779 or groups of persons from the fingerprinting requirements.

1780 (b) All fingerprints required by this section which are
1781 submitted to the Department of Law Enforcement shall be retained
1782 by the Department of Law Enforcement and entered into the
1783 statewide automated fingerprint identification system as
1784 authorized by s. 943.05(2)(b) and shall be available for all
1785 purposes and uses authorized for arrest fingerprint cards
1786 entered into the statewide automated fingerprint identification
1787 system pursuant to s. 943.051.

1788 (c) The Department of Law Enforcement shall search all
1789 arrest fingerprints received pursuant to s. 943.051 against the
1790 fingerprints retained in the statewide automated fingerprint
1791 identification system under paragraph (b). Any arrest record
1792 that is identified with the retained fingerprints of a person
1793 subject to the criminal history screening requirements of this
1794 section shall be reported to the division. Each licensee shall
1795 pay a fee to the division for the cost of retention of the
1796 fingerprints and the ongoing searches under this paragraph. The
1797 division shall forward the payment to the Department of Law
1798 Enforcement. The amount of the fee to be imposed for performing

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1799 these searches and the procedures for the retention of licensee
1800 fingerprints shall be as established by rule of the Department
1801 of Law Enforcement. The division shall inform the Department of
1802 Law Enforcement of any change in the license status of licensees
1803 whose fingerprints are retained under paragraph (b).

1804 (d) The division shall request the Department of Law
1805 Enforcement to forward the fingerprints to the Federal Bureau of
1806 Investigation for a national criminal history records check at
1807 least once every 5 years following issuance of a license. If the
1808 fingerprints of a person who is licensed have not been retained
1809 by the Department of Law Enforcement, the person must file a
1810 complete set of fingerprints as provided in paragraph (a). The
1811 division shall collect the fees for the cost of the national
1812 criminal history record check under this paragraph and forward
1813 the payment to the Department of Law Enforcement. The cost of
1814 processing fingerprints and conducting a criminal history record
1815 check under this paragraph for a general occupational license
1816 shall be borne by the applicant. The cost of processing
1817 fingerprints and conducting a criminal history record check
1818 under this paragraph for a business or professional occupational
1819 license shall be borne by the person being checked. The
1820 Department of Law Enforcement may invoice the division for the
1821 fingerprints submitted each month. Under penalty of perjury,
1822 each person who is licensed or who is fingerprinted as required
1823 by this section must agree to inform the division within 48
1824 hours if he or she is convicted of or has entered a plea of
1825 guilty or nolo contendere to any disqualifying offense,
1826 regardless of adjudication.

1827 Section 32. Section 550.135, Florida Statutes, is amended

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1828 to read:

1829 550.135 Division of moneys derived under this law.—All
1830 moneys that are deposited with the Chief Financial Officer to
1831 the credit of the Pari-mutuel Wagering Trust Fund shall be
1832 distributed as follows:

1833 (1) The daily license fee revenues collected pursuant to s.
1834 550.0951(1) shall be used to fund the operating cost of the
1835 division and to provide a proportionate share of the operation
1836 of the office of the secretary and the Division of
1837 Administration of the Department of Business and Professional
1838 Regulation; however, other collections in the Pari-mutuel
1839 Wagering Trust Fund may also be used to fund the operation of
1840 the division in accordance with authorized appropriations.

1841 (2) All unappropriated funds in excess of \$1.5 million in
1842 the Pari-mutuel Wagering Trust Fund, collected pursuant to this
1843 chapter, shall be deposited with the Chief Financial Officer to
1844 the credit of the General Revenue Fund.

1845 (3) The slot machine license fee, the slot machine
1846 occupational license fee, and the compulsive or addictive
1847 gambling prevention program fee collected pursuant to ss.
1848 551.106, 551.107(2)(a)1., and 551.118 shall be used to fund the
1849 direct and indirect operating expenses of the division's slot
1850 machine regulation operations and to provide funding for
1851 relevant enforcement activities in accordance with authorized
1852 appropriations. Funds deposited into the Pari-mutuel Wagering
1853 Trust Fund pursuant to ss. 551.106, 551.107(2)(a)1., and 551.118
1854 shall be reserved in the trust fund for slot machine regulation
1855 operations. On June 30, any unappropriated funds in excess of
1856 those necessary for incurred obligations and subsequent year

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1857 cash flow for slot machine regulation operations shall be
1858 deposited with the Chief Financial Officer to the credit of the
1859 General Revenue Fund.

1860 (4) The electronic gaming machine license fee, the
1861 electronic gaming machine occupational license fee, and the
1862 compulsive or addictive gambling prevention program fee
1863 collected pursuant to subsection (1) of section 7 of this act
1864 and subsection (3) of section 17 of this act shall be used to
1865 fund the direct and indirect operating expenses of the
1866 division's electronic gaming machine regulation operations and
1867 to provide funding for relevant enforcement activities in
1868 accordance with authorized appropriations. Funds deposited into
1869 the Pari-mutuel Wagering Trust Fund pursuant to subsection (1)
1870 of section 7 of this act and subsection (3) of section 17 of
1871 this act shall be reserved in the trust fund for electronic
1872 gaming machine regulation and enforcement operations. On June
1873 30, any unappropriated funds in excess of those necessary for
1874 incurred obligations and subsequent year cash flow for
1875 electronic gaming machine regulation and enforcement operations
1876 shall be deposited with the Chief Financial Officer to the
1877 credit of the General Revenue Fund.

1878 Section 33. Subsection (6) of section 550.2415, Florida
1879 Statutes, is amended to read:

1880 550.2415 Racing of animals under certain conditions
1881 prohibited; penalties; exceptions.—

1882 (6) (a) It is the intent of the Legislature that animals
1883 that participate in races in this state on which pari-mutuel
1884 wagering is conducted and animals that are bred and trained in
1885 this state for racing be treated humanely, both on and off

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1886 racetracks, throughout the lives of the animals.

1887 (b) The division shall, by rule, establish the procedures
1888 for euthanizing greyhounds. However, a greyhound may not be put
1889 to death by any means other than by lethal injection of the drug
1890 sodium pentobarbital. A greyhound may not be removed from this
1891 state for the purpose of being destroyed.

1892 (c) It is a violation of this chapter for an occupational
1893 licensee to train a greyhound using live or dead animals. A
1894 greyhound may not be taken from this state for the purpose of
1895 being trained through the use of live or dead animals.

1896 (d) Any act committed by any licensee which would
1897 constitute ~~A conviction of~~ cruelty to animals as defined in
1898 ~~pursuant to s. 828.12 involving any a racing~~ animal constitutes
1899 a violation of this chapter. Imposition of any penalty by the
1900 division for a violation of this chapter or any rule adopted by
1901 the division pursuant to this chapter does not prohibit a
1902 criminal prosecution for cruelty to animals.

1903 (e) The division may inspect any area at a pari-mutuel
1904 facility where racing animals are raced, trained, housed, or
1905 maintained, including any areas where food, medications, or
1906 other supplies are kept, to ensure the humane treatment of
1907 racing animals and compliance with this chapter and the rules of
1908 the division.

1909 Section 34. Subsection (5) is added to section 550.26165,
1910 Florida Statutes, is amended to read:

1911 550.26165 Breeders' awards.—

1912 (5) (a) The awards programs in this chapter, which are
1913 intended to encourage thoroughbred breeding and training
1914 operations to locate in this state, must be responsive to

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1915 rapidly changing incentive programs in other states. To attract
1916 such operations, it is appropriate to provide greater
1917 flexibility to thoroughbred industry participants in this state
1918 so that they may design competitive awards programs.

1919 (b) Notwithstanding any other provision of law to the
1920 contrary, the Florida Thoroughbred Breeders' Association, as
1921 part of its annual plan, may:

1922 1. Pay breeders' awards on horses finishing in first,
1923 second, or third place in thoroughbred horse races; pay
1924 breeders' awards that are greater than 20 percent and less than
1925 15 percent of the announced gross purse; and vary the rates for
1926 breeders' awards, based upon the place of finish, class of race,
1927 state or country in which the race took place, and the state in
1928 which the stallion siring the horse was standing when the horse
1929 was conceived;

1930 2. Pay stallion awards on horses finishing in first,
1931 second, or third place in thoroughbred horse races; pay stallion
1932 awards that are greater than 20 percent and less than 15 percent
1933 of the announced gross purse; reduce or eliminate stallion
1934 awards to enhance breeders' awards or awards under subparagraph
1935 3.; and vary the rates for stallion awards, based upon the place
1936 of finish, class of race, and state or country in which the race
1937 took place; and

1938 3. Pay awards from the funds dedicated for breeders' awards
1939 and stallion awards to owners of registered Florida-bred horses
1940 finishing in first, second, or third place in thoroughbred horse
1941 racess in this state, without regard to any awards paid pursuant
1942 to s. 550.2625(6).

1943 (c) Breeders' awards or stallion awards under this chapter

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1944 may not be paid on thoroughbred horse races taking place in
1945 other states or countries unless agreed to in writing by all
1946 thoroughbred permitholders in this state, the Florida
1947 Thoroughbred Breeders' Association, and the Florida Horsemen's
1948 Benevolent and Protective Association, Inc.

1949 Section 35. Paragraph (e) is added to subsection (6) of
1950 section 550.2625, Florida Statutes, to read:

1951 550.2625 Horseracing; minimum purse requirement, Florida
1952 breeders' and owners' awards.—

1953 (6)

1954 (e) This subsection governs owners' awards paid on
1955 thoroughbred races only in this state, unless a written
1956 agreement is filed with the division establishing the rate,
1957 procedures, and eligibility requirements for owners' awards,
1958 including place of finish, class of race, maximum purse, and
1959 maximum award, and the agreement is entered into by the
1960 permitholder, the Florida Thoroughbred Breeders' Association,
1961 and the association representing a majority of the racehorse
1962 owners and trainers at the permitholder's location.

1963 Section 36. Section 550.334, Florida Statutes, is amended
1964 to read:

1965 550.334 Quarter horse racing; substitutions.—

1966 ~~(1) Subject to all the applicable provisions of this~~
1967 ~~chapter, any person who possesses the qualifications prescribed~~
1968 ~~in this chapter may apply to the division for a permit to~~
1969 ~~conduct quarter horse race meetings and racing under this~~
1970 ~~chapter. The applicant must demonstrate that the location or~~
1971 ~~locations where the permit will be used are available for such~~
1972 ~~use and that she or he has the financial ability to satisfy the~~

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1973 ~~reasonably anticipated operational expenses of the first racing~~
1974 ~~year following final issuance of the permit. If the racing~~
1975 ~~facility is already built, the application must contain a~~
1976 ~~statement, with reasonable supporting evidence, that the permit~~
1977 ~~will be used for quarter horse racing within 1 year after the~~
1978 ~~date on which it is granted; if the facility is not already~~
1979 ~~built, the application must contain a statement, with reasonable~~
1980 ~~supporting evidence, that substantial construction will be~~
1981 ~~started within 1 year after the issuance of the permit. After~~
1982 ~~receipt of an application, the division shall convene to~~
1983 ~~consider and act upon permits applied for. The division shall~~
1984 ~~disapprove an application if it fails to meet the requirements~~
1985 ~~of this chapter. Upon each application filed and approved, a~~
1986 ~~permit shall be issued setting forth the name of the applicant~~
1987 ~~and a statement showing qualifications of the applicant to~~
1988 ~~conduct racing under this chapter. If a favorable referendum on~~
1989 ~~a pari-mutuel facility has not been held previously within the~~
1990 ~~county, then, before a quarter horse permit may be issued by the~~
1991 ~~division, a referendum ratified by a majority of the electors in~~
1992 ~~the county is required on the question of allowing quarter horse~~
1993 ~~races within that county.~~

1994 ~~(2) After a quarter horse racing permit has been granted by~~
1995 ~~the division, the department shall grant to the lawful holder of~~
1996 ~~such permit, subject to the conditions of this section, a~~
1997 ~~license to conduct quarter horse racing under this chapter; and~~
1998 ~~the division shall fix annually the time when, place where, and~~
1999 ~~number of days upon which racing may be conducted by such~~
2000 ~~quarter horse racing permitholder. After the first license has~~
2001 ~~been issued to the holder of a permit for quarter horse racing,~~

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2002 ~~all subsequent annual applications for a license by a~~
2003 ~~permitholder must be accompanied by proof, in such form as the~~
2004 ~~division requires, that the permitholder still possesses all the~~
2005 ~~qualifications prescribed by this chapter. The division may~~
2006 ~~revoke any permit or license issued under this section upon the~~
2007 ~~willful violation by the licensee of any provision of this~~
2008 ~~chapter or any rule adopted by the division under this chapter.~~
2009 ~~The division shall revoke any quarter horse permit under which~~
2010 ~~no live racing has ever been conducted before July 7, 1990, for~~
2011 ~~failure to conduct a horse meet pursuant to the license issued~~
2012 ~~where a full schedule of horseracing has not been conducted for~~
2013 ~~a period of 18 months commencing on October 1, 1990, unless the~~
2014 ~~permitholder has commenced construction on a facility at which a~~
2015 ~~full schedule of live racing could be conducted as approved by~~
2016 ~~the division. "Commenced construction" means initiation of and~~
2017 ~~continuous activities beyond site preparation associated with~~
2018 ~~erecting or modifying a horseracing facility, including~~
2019 ~~procurement of a building permit applying the use of approved~~
2020 ~~construction documents, proof of an executed owner/contractor~~
2021 ~~agreement or an irrevocable or binding forced account, and~~
2022 ~~actual undertaking of foundation forming with steel installation~~
2023 ~~and concrete placing. The 18-month period shall be extended by~~
2024 ~~the division, to the extent that the applicant demonstrates to~~
2025 ~~the satisfaction of the division that good faith commencement of~~
2026 ~~the construction of the facility is being delayed by litigation~~
2027 ~~or by governmental action or inaction with respect to~~
2028 ~~regulations or permitting precluding commencement of the~~
2029 ~~construction of the facility.~~

2030 (1)~~(3)~~ The operator of any licensed racetrack is authorized

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2031 to lease such track to any quarter horse racing permitholder for
2032 the conduct of quarter horse racing under this chapter.

2033 ~~(4) Section 550.054 is inapplicable to quarter horse racing~~
2034 ~~as permitted under this section. All other provisions of this~~
2035 ~~chapter apply to, govern, and control such racing, and the same~~
2036 ~~must be conducted in compliance therewith.~~

2037 (2)~~(5)~~ Quarter horses participating in such races must be
2038 duly registered by the American Quarter Horse Association, and
2039 before each race such horses must be examined and declared in
2040 fit condition by a qualified person designated by the division.

2041 (3)~~(6)~~ Any quarter horse racing days permitted under this
2042 chapter are in addition to any other racing permitted under the
2043 license issued the track where such quarter horse racing is
2044 conducted.

2045 (4)~~(7)~~ (a) Any quarter horse racing permitholder operating
2046 under a valid permit issued by the division is authorized to
2047 substitute races of other breeds of horses, except
2048 thoroughbreds, which are, respectively, registered with the
2049 American Paint Horse Association, Appaloosa Horse Club, Arabian
2050 Horse Registry of America, Palomino Horse Breeders of America,
2051 or United States Trotting Association, for no more than 50
2052 percent of the quarter horse races daily, and may substitute
2053 races of thoroughbreds registered with the Jockey Club for no
2054 more than 50 percent of the quarter horse races daily with the
2055 written consent of all greyhound, harness, and thoroughbred
2056 permitholders whose pari-mutuel facilities are located within 50
2057 air miles of such quarter horse racing permitholder's pari-
2058 mutuel facility.

2059 (b) Any permittee operating within an area of 50 air miles

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2060 of a licensed thoroughbred track may not substitute thoroughbred
2061 races under this section while a thoroughbred horse race meet is
2062 in progress within that 50 miles. Any permittee operating within
2063 an area of 125 air miles of a licensed thoroughbred track may
2064 not substitute live thoroughbred races under this section while
2065 a thoroughbred permittee who pays taxes under s. 550.09515(2) (a)
2066 is conducting a thoroughbred meet within that 125 miles. These
2067 mileage restrictions do not apply to any permittee that holds a
2068 nonwagering permit issued pursuant to s. 550.505.

2069 (5)~~(8)~~ A quarter horse permit issued pursuant to this
2070 section is not eligible for transfer or conversion to another
2071 type of pari-mutuel operation.

2072 (6)~~(9)~~ Any nonprofit corporation, including, but not
2073 limited to, an agricultural cooperative marketing association,
2074 organized and incorporated under the laws of this state may
2075 apply for a quarter horse racing permit and operate racing meets
2076 under such permit, provided all pari-mutuel taxes and fees
2077 applicable to such racing are paid by the corporation. However,
2078 insofar as its pari-mutuel operations are concerned, the
2079 corporation shall be considered to be a corporation for profit
2080 and is subject to taxation on all property used and profits
2081 earned in connection with its pari-mutuel operations.

2082 (7)~~(10)~~ Intertrack wagering shall not be authorized for any
2083 quarter horse permitholder without the written consent of all
2084 greyhound, harness, and thoroughbred permitholders whose pari-
2085 mutuel facilities are located within 50 air miles of such
2086 quarter horse permitholder's pari-mutuel facility.

2087 Section 37. Section 550.3355, Florida Statutes, is amended
2088 to read:

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2089 550.3355 Harness track licenses for summer quarter horse
2090 racing.—Any harness track licensed to operate under the
2091 provisions of s. 550.375 may make application for, and shall be
2092 issued by the division, a license to operate not more than 50
2093 quarter horse racing days during the summer season, which shall
2094 extend from July 1 ~~June 1~~ until October 1 ~~September 1~~ of each
2095 year. However, this license to operate quarter horse racing for
2096 50 days is in addition to the racing days and dates provided in
2097 s. 550.375 for harness racing during the winter seasons; and, it
2098 does not affect the right of such licensee to operate harness
2099 racing at the track as provided in s. 550.375 during the winter
2100 season. All provisions of this chapter governing quarter horse
2101 racing not in conflict herewith apply to the operation of
2102 quarter horse meetings authorized hereunder, except that all
2103 quarter horse racing permitted hereunder shall be conducted at
2104 night.

2105 Section 38. Section 550.3605, Florida Statutes, is
2106 repealed.

2107 Section 39. Section 550.5251, Florida Statutes, is amended
2108 to read:

2109 550.5251 Florida thoroughbred racing; certain permits;
2110 operating days.—

2111 ~~(1) Each thoroughbred permitholder under whose permit~~
2112 ~~thoroughbred racing was conducted in this state at any time~~
2113 ~~between January 1, 1987, and January 1, 1988, shall annually be~~
2114 ~~entitled to apply for and annually receive thoroughbred racing~~
2115 ~~days and dates as set forth in this section. As regards such~~
2116 ~~permitholders, the annual thoroughbred racing season shall be~~
2117 ~~from June 1 of any year through May 31 of the following year and~~

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2118 ~~shall be known as the "Florida Thoroughbred Racing Season."~~

2119 ~~(1)-(2)~~ Each thoroughbred permitholder ~~referred to in~~
2120 ~~subsection (1)~~ shall annually, during the period commencing
2121 December 15 of each year and ending January 4 of the following
2122 year, file in writing with the division its application to
2123 conduct one or more thoroughbred racing meetings during the
2124 thoroughbred racing season commencing on the following July ~~June~~
2125 1. Each application shall specify the number and dates of all
2126 performances that the permitholder intends to conduct during
2127 that thoroughbred racing season. On or before February 15 of
2128 each year, the division shall issue a license authorizing each
2129 permitholder to conduct performances on the dates specified in
2130 its application. By February 28 ~~Up to March 31~~ of each year,
2131 each permitholder may request and shall be granted changes in
2132 its authorized performances; but thereafter, as a condition
2133 precedent to the validity of its license and its right to retain
2134 its permit, each permitholder must operate the full number of
2135 days authorized on each of the dates set forth in its license.

2136 ~~(3) Each thoroughbred permit referred to in subsection (1),~~
2137 ~~including, but not limited to, any permit originally issued as a~~
2138 ~~summer thoroughbred horse racing permit, is hereby validated and~~
2139 ~~shall continue in full force and effect.~~

2140 ~~(2)-(4)~~ A thoroughbred racing permitholder may not begin any
2141 race later than 7 p.m. Any thoroughbred permitholder in a county
2142 in which the authority for cardrooms has been approved by the
2143 board of county commissioners may operate a cardroom and, when
2144 conducting live races during its current race meet, may receive
2145 and rebroadcast out-of-state races after the hour of 7 p.m. on
2146 any day during which the permitholder conducts live races.

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2147 (3)~~(5)~~(a) Each licensed thoroughbred permitholder in this
2148 state must run an average of one race per racing day in which
2149 horses bred in this state and duly registered with the Florida
2150 Thoroughbred Breeders' Association have preference as entries
2151 over non-Florida-bred horses, unless otherwise agreed to in
2152 writing by the permitholder, the Florida Thoroughbred Breeders'
2153 Association, and the association representing a majority of the
2154 thoroughbred racehorse owners and trainers at that location. All
2155 licensed thoroughbred racetracks shall write the conditions for
2156 such races in which Florida-bred horses are preferred so as to
2157 assure that all Florida-bred horses available for racing at such
2158 tracks are given full opportunity to run in the class of races
2159 for which they are qualified. The opportunity of running must be
2160 afforded to each class of horses in the proportion that the
2161 number of horses in this class bears to the total number of
2162 Florida-bred horses available. A track is not required to write
2163 conditions for a race to accommodate a class of horses for which
2164 a race would otherwise not be run at the track during its meet
2165 meeting.

2166 (b) Each licensed thoroughbred permitholder in this state
2167 may run one additional race per racing day composed exclusively
2168 of Arabian horses registered with the Arabian Horse Registry of
2169 America. Any licensed thoroughbred permitholder that elects to
2170 run one additional race per racing day composed exclusively of
2171 Arabian horses registered with the Arabian Horse Registry of
2172 America is not required to provide stables for the Arabian
2173 horses racing under this paragraph.

2174 (c) Each licensed thoroughbred permitholder in this state
2175 may run up to three additional races per racing day composed

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2176 exclusively of quarter horses registered with the American
2177 Quarter Horse Association.

2178 ~~(6) Notwithstanding the provisions of subsection (2), a~~
2179 ~~thoroughbred permitholder who fails to operate all performances~~
2180 ~~on its 2001-2002 license does not lose its right to retain its~~
2181 ~~permit. Such thoroughbred permitholder is eligible for issuance~~
2182 ~~of an annual license pursuant to s. 550.0115 for subsequent~~
2183 ~~thoroughbred racing seasons. The division shall take no~~
2184 ~~disciplinary action against such thoroughbred permitholder for~~
2185 ~~failure to operate all licensed performances for the 2001-2002~~
2186 ~~license pursuant to this section or s. 550.01215. This section~~
2187 ~~may not be interpreted to prohibit the division from taking~~
2188 ~~disciplinary action against a thoroughbred permitholder for~~
2189 ~~failure to pay taxes on performances operated pursuant to its~~
2190 ~~2001-2002 license. This subsection expires July 1, 2003.~~

2191 ~~(7) A thoroughbred permitholder shall file an amendment~~
2192 ~~with the division no later than July 1, 2002, that indicates~~
2193 ~~that it will not be able to operate the performances scheduled~~
2194 ~~on its 2002-2003 license without imposition of any penalty for~~
2195 ~~failure to operate all licensed performances provided in this~~
2196 ~~chapter. This subsection expires July 1, 2003.~~

2197 Section 40. Section 550.810, Florida Statutes, is created
2198 to read:

2199 550.810 Historical racing.-

2200 (1) Subject to the requirements of this section and
2201 compliance with the rules adopted by the division, a licensed
2202 pari-mutuel facility may operate a historical racing system if:

2203 (a) No identifying information about any race or the
2204 competing horses or dogs in that race is revealed to a patron

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2205 until after the patron's wagers is irrevocably placed;

2206 (b) The results of a patron's wager are shown to the patron
2207 using video or mechanical displays, or both, and the patron has
2208 the opportunity to view all or any portion of the race;

2209 (c) The historical racing takes place under a licensed
2210 pari-mutuel permit that has run a full schedules of live racing
2211 3 years prior to the date of application for licensure for
2212 historic racing, and the pari-mutuel permitholder also holds a
2213 cardroom license; and

2214 (d) The licensed pari-mutuel permit holder has paid the fee
2215 in s. 550.0951(5) (d).

2216 (2) (a) Historic racing may not be authorized to a
2217 permitholder licensed under chapter 550, Florida Statutes, to
2218 conduct live pari-mutuel wagering races or games unless the
2219 permitholder has on file with the division the following binding
2220 written agreements governing the payment of awards and purses on
2221 the handle generated from historic racing conducted at the
2222 licensee's pari-mutuel facility:

2223 1. For a thoroughbred permitholder, an agreement governing
2224 the payment of purses between the permitholder and the Florida
2225 Horsemen's Benevolent and Protective Association, Inc., or the
2226 association representing a majority of the thoroughbred owners
2227 and trainers at the permitholder's eligible facility located as
2228 described in s. 550.615(9), Florida Statutes, and an agreement
2229 governing the payment of awards between the permitholder and the
2230 Florida Thoroughbred Breeders' Association;

2231 2. For a harness permitholder, an agreement governing the
2232 payment of purses and awards between the permitholder and the
2233 Florida Standardbred Breeders and Owners Association;

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2234 3. For a greyhound permitholder, an agreement governing the
2235 payment of purses between the permitholder and the Florida
2236 Greyhound Association, Inc.;

2237 4. For a quarter horse permitholder, an agreement governing
2238 the payment of purses between the applicant and the Florida
2239 Quarter Horse Racing Association, and an agreement governing the
2240 payment of awards between the permitholder and the Florida
2241 Quarter Horse Breeders and Owners Association; or

2242 5. For a jai alai permitholder, an agreement governing the
2243 payment of player awards between the permitholder and the
2244 International Jai Alai Players Association or a binding written
2245 agreement approved by a majority of the jai alai players at the
2246 permitholder's eligible facility at which the applicant has a
2247 permit issued after January 1, 2000, to conduct jai alai.

2248 (b) The agreements may direct the payment of purses and
2249 awards from revenues generated by any wagering or games the
2250 applicant is authorized to conduct under state law. All purses
2251 and awards are subject to the terms of chapter 550, Florida
2252 Statutes. All sums for breeders', stallion, and special racing
2253 awards shall be remitted monthly to the respective breeders
2254 association for the payment of awards, subject to the
2255 administrative fees authorized under chapter 550, Florida
2256 Statutes.

2257 (3) The amount of historical racing wagering terminals may
2258 be:

2259 (a) A licensed greyhound facility may have 500 historical
2260 racing terminals.

2261 (b) A licensed thoroughbred facility may have 500
2262 historical racing terminals.

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2263 (c) A licensed harness track facility may have 500
2264 historical racing terminals.

2265 (d) A licensed quarter horse facility may have 500
2266 historical racing terminals.

2267 (e) A licensed jai alai facility may have 500 historical
2268 racing terminals.

2269 (4) The moneys wagered on races via the historical racing
2270 system shall be separated from the moneys wagered on live races
2271 conducted at, and on other races simulcast to, the licensee's
2272 facility.

2273 (5) The division shall adopt rules necessary to implement,
2274 administer, and regulate the operation of historical racing
2275 systems in this state. The rules must include:

2276 (a) Procedures for regulating, managing, and auditing the
2277 operation, financial data, and program information relating to
2278 historical racing systems that enable the division to audit the
2279 operation, financial data, and program information of pari-
2280 mutuel facility authorized to operate a historical racing
2281 system.

2282 (b) Technical requirements to operate a historical racing
2283 system.

2284 (c) Procedures to require licensees to maintain specified
2285 records and submit any data, information, record, or report,
2286 including financial and income records, required by this act or
2287 rules of the division.

2288 (d) Procedures relating to historical racing system
2289 revenues, including verifying and accounting for such revenues,
2290 auditing, and collecting taxes and fees.

2291 (e) Minimum standards for security of the facilities,

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2292 including floor plans, security cameras, and other security
2293 equipment.

2294 (f) Procedures to ensure that a historical racing machine
2295 does not enter the state and be offered for play until it has
2296 been tested and certified by a licensed testing laboratory for
2297 play in the state. The procedures shall address measures to
2298 scientifically test and technically evaluate electronic gaming
2299 machines for compliance with laws and rules regulating
2300 historical racing machines. The division may contract with an
2301 independent testing laboratory to conduct any necessary testing.
2302 The independent testing laboratory must have a national
2303 reputation indicating that it is demonstrably competent and
2304 qualified to scientifically test and evaluate that the
2305 historical racing systems perform the functions required by laws
2306 and rules regulating historical racing machines. An independent
2307 testing laboratory may not be owned or controlled by a licensee.
2308 The selection of an independent laboratory for any purpose
2309 related to the conduct of historical racing systems by a
2310 licensee shall be made from a list of laboratories approved by
2311 the division. The division shall adopt rules regarding the
2312 testing, certification, control, and approval of historical
2313 racing systems.

2314 (6) Notwithstanding any other provision of the law, the
2315 proceeds of pari-mutuel tickets purchased for historical racing
2316 that are not redeemed within 1 year after purchase shall be
2317 divided as follows:

2318 (a) Fifty percent shall be retained by the permitholder;
2319 and

2320 (b) Fifty percent shall be paid into the permitholder's

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2321 purse account.

2322 Section 41. Subsection (7) of section 551.102, Florida
2323 Statutes, is amended to read:

2324 551.102 Definitions.—As used in this chapter, the term:

2325 (7) "Progressive system" means a computerized system
2326 linking slot machines in one or more licensed facilities within
2327 this state or other jurisdictions and offering one or more
2328 common progressive payouts based on the amounts wagered.

2329 Section 42. Paragraph (j) of subsection (4) of section
2330 551.104, Florida Statutes, is amended to read:

2331 551.104 License to conduct slot machine gaming.—

2332 (4) As a condition of licensure and to maintain continued
2333 authority for the conduct of slot machine gaming, the slot
2334 machine licensee shall:

2335 (j) Ensure that the payout percentage of a slot machine
2336 gaming facility is at least ~~no less than~~ 85 percent.

2337 Section 43. Paragraph (a) of subsection (1), paragraph (a)
2338 of subsection (2), and subsection (3) of section 551.106,
2339 Florida Statutes, are amended to read:

2340 551.106 License fee; tax rate; penalties.—

2341 (1) LICENSE FEE.—

2342 (a) Upon submission of the initial application for a slot
2343 machine license and annually thereafter, on the anniversary date
2344 of the issuance of the initial license, the licensee must pay to
2345 the division a nonrefundable license fee of \$2 million ~~\$3~~
2346 ~~million~~ for the succeeding 12 months of licensure. The license
2347 fee shall be deposited into the Pari-mutuel Wagering Trust Fund
2348 of the Department of Business and Professional Regulation to be
2349 used by the division and the Department of Law Enforcement for

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2350 investigations, regulation of slot machine gaming, and
2351 enforcement of slot machine gaming provisions under this
2352 chapter. These payments shall be accounted for separately from
2353 taxes or fees paid pursuant to the provisions of chapter 550.

2354 (2) TAX ON SLOT MACHINE REVENUES.—

2355 (a) The tax rate on slot machine revenues at each facility
2356 shall be 35 percent ~~50 percent~~.

2357 (3) PAYMENT AND DISPOSITION OF TAXES.—Payment for the tax
2358 on slot machine revenues imposed by this section shall be paid
2359 to the division. The division shall deposit these sums with the
2360 Chief Financial Officer, to the credit of the Pari-mutuel
2361 Wagering Trust Fund. The slot machine licensee shall remit to
2362 the division payment for the tax on slot machine revenues. Such
2363 payments shall be remitted by 3 p.m. on the 5th day of each
2364 calendar month ~~Wednesday of each week~~ for taxes imposed and
2365 collected for the preceding calendar month ~~week ending on~~
2366 ~~Sunday~~. The slot machine licensee shall file a report under oath
2367 by the 5th day of each calendar month for all taxes remitted
2368 during the preceding calendar month. Such payments shall be
2369 accompanied by a report under oath showing all slot machine
2370 gaming activities for the preceding calendar month and such
2371 other information as may be prescribed by the division.

2372 Section 44. Subsection (1) of section 551.113, Florida
2373 Statutes, is amended to read:

2374 551.113 Persons prohibited from playing slot machines.—

2375 (1) A person who has not attained 18 ~~21~~ years of age may
2376 not play or operate a slot machine or have access to the
2377 designated slot machine gaming area of a facility of a slot
2378 machine licensee.

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2379 Section 45. Subsection (5) of section 551.121, Florida
2380 Statutes, is amended to read:

2381 551.121 Prohibited activities and devices; exceptions.—

2382 (5) A slot machine, or the computer operating system
2383 linking the slot machine, may be linked by any means to any
2384 other slot machine or computer operating system within the
2385 facility of a slot machine licensee. A progressive system may
2386 ~~not~~ be used in conjunction with slot machines between licensed
2387 facilities in Florida or in other jurisdictions.

2388 Section 46. Paragraph (a) of subsection (1) and paragraph
2389 (a) of subsection (2) of section 772.102, Florida Statutes, are
2390 amended to read:

2391 772.102 Definitions.—As used in this chapter, the term:

2392 (1) "Criminal activity" means to commit, to attempt to
2393 commit, to conspire to commit, or to solicit, coerce, or
2394 intimidate another person to commit:

2395 (a) Any crime that is chargeable by indictment or
2396 information under the following provisions:

2397 1. Section 210.18, relating to evasion of payment of
2398 cigarette taxes.

2399 2. Section 414.39, relating to public assistance fraud.

2400 3. Section 440.105 or s. 440.106, relating to workers'
2401 compensation.

2402 4. Part IV of chapter 501, relating to telemarketing.

2403 5. Chapter 517, relating to securities transactions.

2404 6. Section 550.235 or s. 550.3551, ~~or s. 550.3605~~,
2405 relating to dogracing and horseracing.

2406 7. Chapter 550, relating to jai alai frontons.

2407 8. Chapter 552, relating to the manufacture, distribution,

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2408 and use of explosives.

2409 9. Chapter 562, relating to beverage law enforcement.

2410 10. Section 624.401, relating to transacting insurance
2411 without a certificate of authority, s. 624.437(4)(c)1., relating
2412 to operating an unauthorized multiple-employer welfare
2413 arrangement, or s. 626.902(1)(b), relating to representing or
2414 aiding an unauthorized insurer.

2415 11. Chapter 687, relating to interest and usurious
2416 practices.

2417 12. Section 721.08, s. 721.09, or s. 721.13, relating to
2418 real estate timeshare plans.

2419 13. Chapter 782, relating to homicide.

2420 14. Chapter 784, relating to assault and battery.

2421 15. Chapter 787, relating to kidnapping or human
2422 trafficking.

2423 16. Chapter 790, relating to weapons and firearms.

2424 17. Section 796.03, s. 796.04, s. 796.045, s. 796.05, or s.
2425 796.07, relating to prostitution.

2426 18. Chapter 806, relating to arson.

2427 19. Section 810.02(2)(c), relating to specified burglary of
2428 a dwelling or structure.

2429 20. Chapter 812, relating to theft, robbery, and related
2430 crimes.

2431 21. Chapter 815, relating to computer-related crimes.

2432 22. Chapter 817, relating to fraudulent practices, false
2433 pretenses, fraud generally, and credit card crimes.

2434 23. Section 827.071, relating to commercial sexual
2435 exploitation of children.

2436 24. Chapter 831, relating to forgery and counterfeiting.

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2437 25. Chapter 832, relating to issuance of worthless checks
2438 and drafts.

2439 26. Section 836.05, relating to extortion.

2440 27. Chapter 837, relating to perjury.

2441 28. Chapter 838, relating to bribery and misuse of public
2442 office.

2443 29. Chapter 843, relating to obstruction of justice.

2444 30. Section 847.011, s. 847.012, s. 847.013, s. 847.06, or
2445 s. 847.07, relating to obscene literature and profanity.

2446 31. Section 849.09, s. 849.14, s. 849.15, s. 849.23, or s.
2447 849.25, relating to gambling.

2448 32. Chapter 893, relating to drug abuse prevention and
2449 control.

2450 33. Section 914.22 or s. 914.23, relating to witnesses,
2451 victims, or informants.

2452 34. Section 918.12 or s. 918.13, relating to tampering with
2453 jurors and evidence.

2454 (2) "Unlawful debt" means any money or other thing of value
2455 constituting principal or interest of a debt that is legally
2456 unenforceable in this state in whole or in part because the debt
2457 was incurred or contracted:

2458 (a) In violation of any one of the following provisions of
2459 law:

2460 1. Section 550.235 or, s. 550.3551, ~~or s. 550.3605,~~
2461 relating to dogracing and horseracing.

2462 2. Chapter 550, relating to jai alai frontons.

2463 3. Section 687.071, relating to criminal usury, loan
2464 sharking, and shylocking.

2465 4. Section 849.09, s. 849.14, s. 849.15, s. 849.23, or s.

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2466 849.25, relating to gambling.

2467 Section 47. Paragraphs (a) and (b) of subsection (5),
2468 subsections (6) and (7), paragraphs (b) and (c) of subsection
2469 (8), and paragraphs (a) and (b) of subsection (12) of section
2470 849.086, Florida Statutes, are amended to read:

2471 849.086 Cardrooms authorized.—

2472 (5) LICENSE REQUIRED; APPLICATION; FEES.—No person may
2473 operate a cardroom in this state unless such person holds a
2474 valid cardroom license issued pursuant to this section.

2475 (a) Only those persons holding a valid cardroom license
2476 issued by the division may operate a cardroom. A cardroom
2477 license may only be issued to a licensed pari-mutuel
2478 permitholder and an authorized cardroom may only be operated at
2479 the same facility at which the permitholder is authorized under
2480 its valid pari-mutuel wagering permit to conduct pari-mutuel
2481 wagering activities. An initial cardroom license only shall be
2482 issued to a pari-mutuel permitholder that has run a full
2483 schedule of live races as defined in s. 550.002(11) for the
2484 previous 2 fiscal years prior to application for a license and
2485 only if the permitholder is licensed to conduct a full schedule
2486 of live races or games during the state fiscal year in which the
2487 initial cardroom license is issued.

2488 (b) After the initial cardroom license is granted, the
2489 application for the annual license renewal shall be made in
2490 conjunction with the applicant's annual application for its
2491 pari-mutuel license. If a permitholder has operated a cardroom
2492 during any of the 3 previous fiscal years and fails to include a
2493 renewal request for the operation of the cardroom in its annual
2494 application for license renewal, the permitholder may amend its

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2495 annual application to include operation of the cardroom. In
2496 order for a cardroom license to be renewed the applicant must
2497 have requested, as part of its pari-mutuel annual license
2498 application, to conduct at least 90 percent of the total number
2499 of live performances conducted by such permitholder during
2500 either the state fiscal year in which its initial cardroom
2501 license was issued or the state fiscal year immediately prior
2502 thereto if the permitholder ran at least a full schedule of live
2503 races or games in the prior year. If the application is for a
2504 harness permitholder cardroom, the applicant must have requested
2505 authorization to conduct a minimum of 140 live performances
2506 during the state fiscal year immediately prior thereto. If more
2507 than one permitholder is operating at a facility, each
2508 permitholder must have applied for a license to conduct a full
2509 schedule of live racing.

2510 (6) BUSINESS AND EMPLOYEE OCCUPATIONAL LICENSE REQUIRED;
2511 APPLICATION; FEES.—

2512 (a) A person employed or otherwise working in a cardroom as
2513 a cardroom manager, floor supervisor, pit boss, dealer, or any
2514 other activity related to cardroom operations while the facility
2515 is conducting card playing or games of dominoes must hold a
2516 valid cardroom employee occupational license issued by the
2517 division. Food service, maintenance, and security employees with
2518 a current pari-mutuel occupational license and a current
2519 background check will not be required to have a cardroom
2520 employee occupational license.

2521 (b) Any cardroom management company or cardroom distributor
2522 associated with cardroom operations must hold a valid cardroom
2523 business occupational license issued by the division.

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2524 (c) No licensed cardroom operator may employ or allow to
2525 work in a cardroom any person unless such person holds a valid
2526 occupational license. No licensed cardroom operator may
2527 contract, or otherwise do business with, a business required to
2528 hold a valid cardroom business occupational license, unless the
2529 business holds such a valid license.

2530 (d) The division shall establish, by rule, a schedule for
2531 the ~~annual~~ renewal of cardroom occupational licenses. Cardroom
2532 occupational licenses are not transferable.

2533 (e) Persons seeking cardroom occupational licenses, or
2534 renewal thereof, shall make application on forms prescribed by
2535 the division. Applications for cardroom occupational licenses
2536 shall contain all of the information the division, by rule, may
2537 determine is required to ensure eligibility.

2538 (f) The division shall promulgate rules regarding cardroom
2539 occupational licenses. The provisions specified in s.
2540 550.105(4), (5), (6), (7), (8), and (10) relating to licensure
2541 shall be applicable to cardroom occupational licenses.

2542 (g) The division may deny, declare ineligible, or revoke
2543 any cardroom occupational license if the applicant or holder
2544 thereof has been found guilty or had adjudication withheld in
2545 this state or any other state, or under the laws of the United
2546 States of a felony or misdemeanor involving forgery, larceny,
2547 extortion, conspiracy to defraud, or filing false reports to a
2548 government agency, racing or gaming commission or authority.

2549 (h) Fingerprints for all cardroom occupational license
2550 applications shall be taken in a manner approved by the division
2551 and then shall be submitted to the Florida Department of Law
2552 Enforcement and the Federal Bureau of Investigation for a

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2553 criminal records check upon initial application and every 5
2554 years thereafter. The division may by rule require an annual
2555 record check of all renewal applications for a cardroom
2556 occupational license. The cost of processing fingerprints and
2557 conducting a record check shall be borne by the applicant.

2558 (i) The cardroom employee occupational license fee shall
2559 not exceed ~~be~~ \$50 for any 12-month period. The cardroom business
2560 occupational license fee shall not exceed ~~be~~ \$250 for any 12-
2561 month period.

2562 (7) CONDITIONS FOR OPERATING A CARDROOM.—

2563 (a) A cardroom may be operated only at the location
2564 specified on the cardroom license issued by the division, and
2565 such location may only be the location at which the pari-mutuel
2566 permitholder is authorized to conduct pari-mutuel wagering
2567 activities pursuant to such permitholder's valid pari-mutuel
2568 permit or as otherwise authorized by law. Cardroom operations
2569 may not be allowed beyond the hours provided in paragraph (b)
2570 regardless of the number of cardroom licenses issued for
2571 permitholders operating at the pari-mutuel facility.

2572 (b) Any cardroom operator ~~horserace, greyhound race, or jai~~
2573 ~~alai permitholder licensed under this section~~ may operate a
2574 cardroom at the pari-mutuel facility daily throughout the year,
2575 ~~on any day for a cumulative amount of 12 hours~~ if the
2576 permitholder meets the requirements under paragraph (5) (b). The
2577 cardroom may be open a cumulative amount of 18 hours per day on
2578 Monday through Friday and 24 hours per day on Saturday and
2579 Sunday and on the holidays specified in s. 110.117(1).

2580 (c) A cardroom operator must at all times employ and
2581 provide a nonplaying dealer for each table on which authorized

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2582 card games which traditionally use a dealer are conducted at the
2583 cardroom. Such dealers may not have a participatory interest in
2584 any game other than the dealing of cards and may not have an
2585 interest in the outcome of the game. The providing of such
2586 dealers by a licensee does not constitute the conducting of a
2587 banking game by the cardroom operator.

2588 (d) A cardroom operator may award giveaways, jackpots, and
2589 prizes to a player who holds certain combinations of cards
2590 specified by the cardroom operator.

2591 (e) Each cardroom operator shall conspicuously post upon
2592 the premises of the cardroom a notice which contains a copy of
2593 the cardroom license; a list of authorized games offered by the
2594 cardroom; the wagering limits imposed by the house, if any; any
2595 additional house rules regarding operation of the cardroom or
2596 the playing of any game; and all costs to players to
2597 participate, including any rake by the house. In addition, each
2598 cardroom operator shall post at each table a notice of the
2599 minimum and maximum bets authorized at such table and the fee
2600 for participation in the game conducted.

2601 (f) The cardroom facility is subject to inspection by the
2602 division or any law enforcement agency during the licensee's
2603 regular business hours. The inspection must specifically include
2604 the permitholder internal control procedures approved by the
2605 division.

2606 (g) A cardroom operator may refuse entry to or refuse to
2607 allow any person who is objectionable, undesirable, or
2608 disruptive to play, but such refusal may not be on the basis of
2609 race, creed, color, religion, gender, national origin, marital
2610 status, physical handicap, or age, except as provided in this

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2611 section.

2612 (8) METHOD OF WAGERS; LIMITATION.—

2613 (b) The cardroom operator may limit the amount wagered in
2614 any game or series of games, ~~but the maximum bet may not exceed~~
2615 ~~\$5 in value.~~ There may not be more than three raises in any
2616 round of betting. The fee charged by the cardroom for
2617 participation in the game shall not be included in the
2618 calculation of the limitation on the bet amount provided in this
2619 paragraph. ~~However,~~ A cardroom operator may conduct games of
2620 Texas Hold-em without a betting limit ~~if the required player~~
2621 ~~buy-in is no more than \$100.~~

2622 (c) A tournament shall consist of a series of games. The
2623 entry fee for a tournament may be set by the cardroom operator,
2624 ~~including any re-buys, may not exceed the maximum amount that~~
2625 ~~could be wagered by a participant in 10 like-kind, nontournament~~
2626 ~~games under paragraph (b).~~ Tournaments may be played only with
2627 tournament chips that are provided to all participants in
2628 exchange for an entry fee and any subsequent re-buys. All
2629 players must receive an equal number of tournament chips for
2630 their entry fee. Tournament chips have no cash value and
2631 represent tournament points only. There is no limitation on the
2632 number of tournament chips that may be used for a bet except as
2633 otherwise determined by the cardroom operator. Tournament chips
2634 may never be redeemed for cash or for any other thing of value.
2635 The distribution of prizes and cash awards must be determined by
2636 the cardroom operator before entry fees are accepted. For
2637 purposes of tournament play only, the term "gross receipts"
2638 means the total amount received by the cardroom operator for all
2639 entry fees, player re-buys, and fees for participating in the

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2640 tournament less the total amount paid to the winners or others
2641 as prizes.

2642 (12) PROHIBITED ACTIVITIES.—

2643 (a) 1. A ~~Ne~~ person licensed to operate a cardroom may not
2644 conduct any banking game or any game not specifically authorized
2645 by this section except as provided in subparagraph (b)2.

2646 (b) A ~~Ne~~ person under 18 years of age may not be permitted
2647 to hold a cardroom or employee license, or engage in any game
2648 conducted therein.

2649 2. Cardroom licensees located in Miami-Dade County and
2650 Broward County who are slot machine licensees pursuant to
2651 chapter 551 and have conducted a full schedule of live racing
2652 pursuant to s. 550.002(11) for the prior 2 fiscal years may
2653 conduct the game of blackjack if the Governor and the Seminole
2654 Tribe of Florida enter into a signed compact that permits the
2655 Seminole Tribe of Florida the ability to play roulette or
2656 roulette-style games or craps or craps-style games, and only if
2657 the compact is approved or deemed approved by the Department of
2658 the Interior and properly noticed in the Federal Register.

2659 Section 48. Subsection (2) of section 849.15, Florida
2660 Statutes, is amended to read:

2661 849.15 Manufacture, sale, possession, etc., of coin-
2662 operated devices prohibited.—

2663 (2) Pursuant to section 2 of that chapter of the Congress
2664 of the United States entitled "An act to prohibit transportation
2665 of gaming devices in interstate and foreign commerce," approved
2666 January 2, 1951, being ch. 1194, 64 Stat. 1134, and also
2667 designated as 15 U.S.C. ss. 1171-1177, the State of Florida,
2668 acting by and through the duly elected and qualified members of

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2669 its Legislature, does hereby in this section, and in accordance
2670 with and in compliance with the provisions of section 2 of such
2671 chapter of Congress, declare and proclaim that any county of the
2672 State of Florida within which slot machine gaming is authorized
2673 pursuant to chapter 551 or electronic gaming or historical
2674 racing is authorized at eligible pari-mutuel facilities is
2675 exempt from the provisions of section 2 of that chapter of the
2676 Congress of the United States entitled "An act to prohibit
2677 transportation of gaming devices in interstate and foreign
2678 commerce," designated as 15 U.S.C. ss. 1171-1177, approved
2679 January 2, 1951. All shipments of gaming devices, including slot
2680 machines, electronic gaming machines, and historical racing
2681 systems, into any county of this state within which slot machine
2682 gaming is authorized pursuant to chapter 551 or electronic
2683 gaming or historical racing is authorized at eligible pari-
2684 mutuel facilities and the registering, recording, and labeling
2685 of which have been duly performed by the manufacturer or
2686 distributor thereof in accordance with sections 3 and 4 of that
2687 chapter of the Congress of the United States entitled "An act to
2688 prohibit transportation of gaming devices in interstate and
2689 foreign commerce," approved January 2, 1951, being ch. 1194, 64
2690 Stat. 1134, and also designated as 15 U.S.C. ss. 1171-1177,
2691 shall be deemed legal shipments thereof into this state provided
2692 the destination of such shipments is an eligible facility as
2693 defined in s. 551.102 or the facility of a slot machine
2694 manufacturer or slot machine distributor as provided in s.
2695 551.109(2), a certified educational facility, or the facility of
2696 an electronic gaming machine or hitorical racing system
2697 manufacturer or electronic gaming machine or historical racing

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2698 system distributor authorized to possess electronic gaming
2699 machines as provided in the act authorizing electronic gaming
2700 machines or historical racing systems at eligible pari-mutuel
2701 facilities ~~s. 551.109(2)(a).~~

2702 Section 49. Subsection (3) is added to section 849.161,
2703 Florida Statutes, to read:

2704 849.161 Amusement games or machines; when chapter
2705 inapplicable.—

2706 (3) This chapter does not apply to licensed cardroom
2707 operators having historical racing systems pursuant to chapter
2708 550 which operate by means of the insertion of coin, currency,
2709 or voucher and which by application of an element of skill may
2710 entitle the person playing or operating the game or machine to
2711 receive payouts from one or more pari-mutuel pools.

2712 Section 50. Subsections (1) and (2) of section 895.02,
2713 Florida Statutes, are amended to read:

2714 895.02 Definitions.—As used in ss. 895.01-895.08, the term:

2715 (1) "Racketeering activity" means to commit, to attempt to
2716 commit, to conspire to commit, or to solicit, coerce, or
2717 intimidate another person to commit:

2718 (a) Any crime that is chargeable by petition, indictment,
2719 or information under the following provisions of the Florida
2720 Statutes:

2721 1. Section 210.18, relating to evasion of payment of
2722 cigarette taxes.

2723 2. Section 316.1935, relating to fleeing or attempting to
2724 elude a law enforcement officer and aggravated fleeing or
2725 eluding.

2726 3. Section 403.727(3)(b), relating to environmental

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- 2727 control.
- 2728 4. Section 409.920 or s. 409.9201, relating to Medicaid
- 2729 fraud.
- 2730 5. Section 414.39, relating to public assistance fraud.
- 2731 6. Section 440.105 or s. 440.106, relating to workers'
- 2732 compensation.
- 2733 7. Section 443.071(4), relating to creation of a fictitious
- 2734 employer scheme to commit unemployment compensation fraud.
- 2735 8. Section 465.0161, relating to distribution of medicinal
- 2736 drugs without a permit as an Internet pharmacy.
- 2737 9. Section 499.0051, relating to crimes involving
- 2738 contraband and adulterated drugs.
- 2739 10. Part IV of chapter 501, relating to telemarketing.
- 2740 11. Chapter 517, relating to sale of securities and
- 2741 investor protection.
- 2742 12. Section 550.235 or, s. 550.3551, ~~or s. 550.3605~~,
- 2743 relating to dogracing and horseracing.
- 2744 13. Chapter 550, relating to jai alai frontons.
- 2745 14. Section 551.109, relating to slot machine gaming.
- 2746 15. Chapter 552, relating to the manufacture, distribution,
- 2747 and use of explosives.
- 2748 16. Chapter 560, relating to money transmitters, if the
- 2749 violation is punishable as a felony.
- 2750 17. Chapter 562, relating to beverage law enforcement.
- 2751 18. Section 624.401, relating to transacting insurance
- 2752 without a certificate of authority, s. 624.437(4)(c)1., relating
- 2753 to operating an unauthorized multiple-employer welfare
- 2754 arrangement, or s. 626.902(1)(b), relating to representing or
- 2755 aiding an unauthorized insurer.

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2756 19. Section 655.50, relating to reports of currency
2757 transactions, when such violation is punishable as a felony.

2758 20. Chapter 687, relating to interest and usurious
2759 practices.

2760 21. Section 721.08, s. 721.09, or s. 721.13, relating to
2761 real estate timeshare plans.

2762 22. Section 775.13(5)(b), relating to registration of
2763 persons found to have committed any offense for the purpose of
2764 benefiting, promoting, or furthering the interests of a criminal
2765 gang.

2766 23. Section 777.03, relating to commission of crimes by
2767 accessories after the fact.

2768 24. Chapter 782, relating to homicide.

2769 25. Chapter 784, relating to assault and battery.

2770 26. Chapter 787, relating to kidnapping or human
2771 trafficking.

2772 27. Chapter 790, relating to weapons and firearms.

2773 28. Chapter 794, relating to sexual battery, but only if
2774 such crime was committed with the intent to benefit, promote, or
2775 further the interests of a criminal gang, or for the purpose of
2776 increasing a criminal gang member's own standing or position
2777 within a criminal gang.

2778 29. Section 796.03, s. 796.035, s. 796.04, s. 796.045, s.
2779 796.05, or s. 796.07, relating to prostitution and sex
2780 trafficking.

2781 30. Chapter 806, relating to arson and criminal mischief.

2782 31. Chapter 810, relating to burglary and trespass.

2783 32. Chapter 812, relating to theft, robbery, and related
2784 crimes.

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- 2785 33. Chapter 815, relating to computer-related crimes.
- 2786 34. Chapter 817, relating to fraudulent practices, false
2787 pretenses, fraud generally, and credit card crimes.
- 2788 35. Chapter 825, relating to abuse, neglect, or
2789 exploitation of an elderly person or disabled adult.
- 2790 36. Section 827.071, relating to commercial sexual
2791 exploitation of children.
- 2792 37. Chapter 831, relating to forgery and counterfeiting.
- 2793 38. Chapter 832, relating to issuance of worthless checks
2794 and drafts.
- 2795 39. Section 836.05, relating to extortion.
- 2796 40. Chapter 837, relating to perjury.
- 2797 41. Chapter 838, relating to bribery and misuse of public
2798 office.
- 2799 42. Chapter 843, relating to obstruction of justice.
- 2800 43. Section 847.011, s. 847.012, s. 847.013, s. 847.06, or
2801 s. 847.07, relating to obscene literature and profanity.
- 2802 44. Section 849.09, s. 849.14, s. 849.15, s. 849.23, or s.
2803 849.25, relating to gambling.
- 2804 45. Chapter 874, relating to criminal gangs.
- 2805 46. Chapter 893, relating to drug abuse prevention and
2806 control.
- 2807 47. Chapter 896, relating to offenses related to financial
2808 transactions.
- 2809 48. Sections 914.22 and 914.23, relating to tampering with
2810 or harassing a witness, victim, or informant, and retaliation
2811 against a witness, victim, or informant.
- 2812 49. Sections 918.12 and 918.13, relating to tampering with
2813 jurors and evidence.

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2814 50. Provisions of law relating to electronic gaming and
2815 electronic gaming machines or historical racing systems at
2816 eligible pari-mutuel facilities.

2817 (b) Any conduct defined as "racketeering activity" under 18
2818 U.S.C. s. 1961(1).

2819 (2) "Unlawful debt" means any money or other thing of value
2820 constituting principal or interest of a debt that is legally
2821 unenforceable in this state in whole or in part because the debt
2822 was incurred or contracted:

2823 (a) In violation of any one of the following provisions of
2824 law:

2825 1. Section 550.235 or, s. 550.3551, ~~or s. 550.3605,~~
2826 relating to dogracing and horseracing.

2827 2. Chapter 550, relating to jai alai frontons.

2828 3. Section 551.109, relating to slot machine gaming.

2829 4. Chapter 687, relating to interest and usury.

2830 5. Section 849.09, s. 849.14, s. 849.15, s. 849.23, or s.
2831 849.25, relating to gambling.

2832 6. Provisions of law relating to electronic gaming and
2833 electronic gaming machines or historical racing systems at
2834 eligible pari-mutuel facilities.

2835 (b) In gambling activity in violation of federal law or in
2836 the business of lending money at a rate usurious under state or
2837 federal law.

2838 Section 51. (1) (a) For the 2009-2010 fiscal year, 110 full-
2839 time equivalent positions and 3,551,808 in associated salary
2840 rate are authorized, and the sums of \$9,281,870 in recurring
2841 funds and \$4,514,405 in nonrecurring funds are appropriated from
2842 the Pari-mutuel Wagering Trust Fund of the Department of

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2843 Business and Professional Regulation for the purpose of carrying
2844 out all regulatory activities provided in this act. The
2845 Executive Office of the Governor shall place these positions,
2846 associated rate, and funds in reserve until the Executive Office
2847 of the Governor has approved an expenditure plan and a budget
2848 amendment submitted by the Department of Business and
2849 Professional Regulation recommending the transfer of such funds
2850 to traditional appropriation categories. Any action proposed
2851 pursuant to this paragraph is subject to the procedures set
2852 forth in s. 216.177, Florida Statutes.

2853 (b) For the 2009-2010 fiscal year, the sums of \$4,849,500
2854 in recurring funds and \$1,176,308 in nonrecurring funds are
2855 appropriated from the Pari-mutuel Wagering Trust Fund of the
2856 Department of Business and Professional Regulation for transfer
2857 to the Operating Trust Fund of the Department of Law Enforcement
2858 for the purpose of investigations, intelligence gathering,
2859 background investigations, and any other responsibilities as
2860 provided in this act.

2861 (2) For the 2009-2010 fiscal year, 61 full-time equivalent
2862 positions and 2,604,216 in associated salary rate are
2863 authorized, and the sums of \$4,849,500 in recurring funds and
2864 \$1,176,308 in nonrecurring funds are appropriated from the
2865 Operating Trust Fund of the Department of Law Enforcement for
2866 the purpose of investigations, intelligence gathering,
2867 background investigations, and any other responsibilities as
2868 provided by this act. The Executive Office of the Governor shall
2869 place these positions, associated rate, and funds in reserve
2870 until the Executive Office of the Governor has approved an
2871 expenditure plan and a budget amendment submitted by the

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2872 Department of Law Enforcement recommending the transfer of such
2873 funds to traditional appropriation categories. Any action
2874 proposed pursuant to this subsection is subject to the
2875 procedures set forth in s. 216.177, Florida Statutes.

2876 (3) For the 2009-2010 fiscal year, the sum of \$1 million in
2877 recurring funds is appropriated from the Pari-mutuel Wagering
2878 Trust Fund of the Department of Business and Professional
2879 Regulation from revenues received pursuant to s. 551.118,
2880 Florida Statutes, for contract services related to the
2881 prevention of compulsive and addictive gambling.

2882 Section 52. Sections 1 and 52 of this act shall take effect
2883 upon becoming a law if SB 788 or substantially similar
2884 legislation is adopted during the 2009 legislative session, or
2885 an extension thereof, and becomes law; except that, sections 2
2886 through 51 of this act shall take effect only if the Governor
2887 and an authorized representative of the Seminole Tribe of
2888 Florida execute an Indian gaming compact pursuant to the Indian
2889 Gaming Regulatory Act of 1988 and the requirements of SB 788, or
2890 similar legislation, and only if such compact is approved or
2891 deemed approved by the United States Department of the Interior,
2892 and such sections shall take effect on the date that the
2893 approved compact is published in the Federal Register.