A bill to be entitled 1 2 An act relating to administrative procedures of the 3 Department of the Lottery; amending s. 24.105, F.S.; 4 revising the rulemaking authority of the Department of the 5 Lottery; authorizing the department to adopt rules 6 governing the operation of games offered by the 7 department; authorizing the department to adopt emergency 8 rules for the purpose of implementing instant ticket 9 games; removing the authority of the department to perform 10 any of the functions of the Department of Management 11 Services under chapter 255, chapter 273, chapter 281, chapter 283, or chapter 287, F.S.; requiring the 12 13 department to adopt by rule a personnel program for its 14 employees; removing the exemption from chapter 120, F.S., 15 related to personnel actions; repealing s. 24.109, F.S., 16 relating to administrative procedure; deeming certain emergency rules in existence on a specified date to be 17 rules adopted pursuant to s. 120.54(3), F.S.; providing 18 that such rules remain in effect until amended or repealed 19 by the department; requiring the Department of State to 20 21 renumber rules as necessary; providing for repeal of 22 certain rules in existence on a specified date that are no 23 longer authorized; providing an effective date. 24 25 Be It Enacted by the Legislature of the State of Florida: 26

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section 24.105, Florida Statutes, are amended to read:

Subsections (9) and (13) through (20) of

CODING: Words stricken are deletions; words underlined are additions.

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24.105 Powers and duties of department.—The department shall:

- (9) (a) Adopt rules governing the establishment and operation of games offered by the department the state lottery, including:
- $\underline{1.}$ (a) The type of lottery games to be conducted, except that:
- $\underline{a.1.}$ No name of an elected official shall appear on the ticket or play slip of any lottery game or on any prize or on any instrument used for the payment of prizes, unless such prize is in the form of a state warrant.
- $\underline{\text{b.2.}}$ No coins or currency shall be dispensed from any electronic computer terminal or device used in any lottery game.
- c.3. Other than as provided in <u>sub-subparagraph d.</u> subparagraph 4., no terminal or device may be used for any lottery game which may be operated solely by the player without the assistance of the retailer.
- d.4. The only player-activated machine which may be utilized is a machine which dispenses instant lottery game tickets following the insertion of a coin or currency by a ticket purchaser. To be authorized a machine must: be under the supervision and within the direct line of sight of the lottery retailer to ensure that the machine is monitored and only operated by persons at least 18 years of age; be capable of being electronically deactivated by the retailer to prohibit use by persons less than 18 years of age through the use of a lockout device that maintains the machine's deactivation for a period of no less than 5 minutes; and be designed to prevent its

use or conversion for use in any manner other than the dispensing of instant lottery tickets. Authorized machines may dispense change to players purchasing tickets but may not be utilized for paying the holders of winning tickets of any kind. At least one clerk must be on duty at the lottery retailer while the machine is in operation. However, at least two clerks must be on duty at any lottery location which has violated s. 24.1055.

2.(b) The sales price of tickets.

- $3. \frac{(c)}{(c)}$ The number and sizes of prizes.
- $\frac{4 \cdot (d)}{d}$ The method of selecting winning tickets. However, if a lottery game involves a drawing, the drawing shall be public and witnessed by an accountant employed by an independent certified public accounting firm. The equipment used in the drawing shall be inspected before and after the drawing.
- $\underline{5.}$ (e) The manner of payment of prizes to holders of winning tickets.
- $\underline{6.(f)}$ The frequency of drawings or selections of winning tickets.
- $\frac{7.(g)}{may}$ The number and type of locations at which tickets
 - 8.(h) The method to be used in selling tickets.
 - 9.(i) The manner and amount of compensation of retailers.
- 10.(j) Such other matters necessary or desirable for the efficient or economical operation of games offered by the department lottery or for the convenience of the public.
- (b) The department may at any time adopt emergency rules pursuant to s. 120.54 for the purpose of implementing and

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promoting instant ticket games. The Legislature finds that, from time to time, the department must respond as quickly as is practicable to changes in the marketplace when creating and promoting instant ticket games. Therefore, in adopting emergency rules for the purpose of implementing and promoting such games, the department need not make the findings required by s.

120.54(4)(a). Emergency rules adopted under this subsection are exempt from s. 120.54(4)(c) and shall remain in effect until expiration of the specific instant ticket game that is the subject of the emergency rule.

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

(13) (14) Have the authority to acquire real property and make improvements thereon. The title to such property shall be

vested in the Board of Trustees of the Internal Improvement Trust Fund. The board shall give the department preference in leasing state-owned lands under the board's control and may not exercise any jurisdiction over lands purchased or leased by the department while such lands are actively used by the department. Actions of the department under this subsection are exempt from the time limitations and deadlines of chapter 253.

- (14) (15) Have the authority to charge fees to persons applying for contracts as vendors or retailers, which fees are reasonably calculated to cover the costs of investigations and other activities related to the processing of the application.
- (15) (16) Enter into contracts for the purchase, lease, or lease-purchase of such goods and services as are necessary for the operation and promotion of the state lottery, including assistance provided by any governmental agency.
- (16) (17) In accordance with the provisions of this act, enter into contracts with retailers so as to provide adequate and convenient availability of tickets to the public for each game.
- (17) (18) Have the authority to enter into agreements with other states for the operation and promotion of a multistate lottery if such agreements are in the best interest of the state lottery. The authority conferred by this subsection is not effective until 1 year after the first day of lottery ticket sales.
- $\underline{\text{(18)}}$ Employ division directors and other staff as may be necessary to carry out the provisions of this act; however:
 - (a) No person shall be employed by the department who has

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been convicted of, or entered a plea of guilty or nolo contendere to, a felony committed in the preceding 10 years, regardless of adjudication, unless the department determines that:

- 1. The person has been pardoned or his or her civil rights have been restored; or
- 2. Subsequent to such conviction or entry of plea the person has engaged in the kind of law-abiding commerce and good citizenship that would reflect well upon the integrity of the lottery.
- (b) No officer or employee of the department having decisionmaking authority shall participate in any decision involving any vendor or retailer with whom the officer or employee has a financial interest. No such officer or employee may participate in any decision involving any vendor or retailer with whom the officer or employee has discussed employment opportunities without the approval of the secretary or, if such officer is the secretary, without the approval of the Governor. Any officer or employee of the department shall notify the secretary of any such discussion or, if such officer is the secretary, he or she shall notify the Governor. A violation of this paragraph is punishable in accordance with s. 112.317.
- (c) No officer or employee of the department who leaves the employ of the department shall represent any vendor or retailer before the department regarding any specific matter in which the officer or employee was involved while employed by the department, for a period of 1 year following cessation of employment with the department. A violation of this paragraph is

punishable in accordance with s. 112.317.

- (19) (d) The department shall adopt by rule establish and maintain a personnel program for its employees, including a personnel classification and pay plan which may provide any or all of the benefits provided in the Senior Management Service or Selected Exempt Service.
- (a) Each officer or employee of the department shall be a member of the Florida Retirement System. The retirement class of each officer or employee shall be the same as other persons performing comparable functions for other agencies.
- (b) Employees of the department shall serve at the pleasure of the secretary and shall be subject to suspension, dismissal, reduction in pay, demotion, transfer, or other personnel action at the discretion of the secretary. Such personnel actions are exempt from the provisions of chapter 120.
- (c) All employees of the department are exempt from the Career Service System provided in chapter 110 and, notwithstanding the provisions of s. 110.205(5), are not included in either the Senior Management Service or the Selected Exempt Service. However, all employees of the department are subject to all standards of conduct adopted by rule for career service and senior management employees pursuant to chapter 110. In the event of a conflict between standards of conduct applicable to employees of the Department of the Lottery the more restrictive standard shall apply. Interpretations as to the more restrictive standard may be provided by the Commission on Ethics upon request of an advisory opinion pursuant to s. 112.322(3)(a), for purposes of this subsection the opinion shall

197 be considered final action.

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- (20) Adopt by rule a code of ethics for officers and employees of the department which supplements the standards of conduct for public officers and employees imposed by law.
 - Section 2. Section 24.109, Florida Statutes, is repealed.
- Section 3. (1) Any emergency rule adopted by the
- 203 Department of the Lottery on or before July 1, 2010, directly
- relating to the department's online games; retailers; lost,
- 205 stolen, or damaged instant tickets; and payment of stolen
- 206 <u>instant tickets shall be deemed rules adopted pursuant to s.</u>
- 207 120.54(3), Florida Statutes, and shall remain in effect until
- amended or repealed by the department. The Department of State
- 209 shall renumber such rules as necessary.
- (2) Except for the rules described in subsection (1), all
- 211 rules, or portions thereof, in existence on July 1, 2010, that
- were adopted in a manner no longer authorized by this act shall
- 213 stand repealed on January 1, 2011.
- Section 4. This act shall take effect on July 1, 2010.