

By Senator Richter

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1                   A bill to be entitled  
2       An act relating to point-of-sale terminals; amending  
3       s. 24.103, F.S.; defining the term "point-of-sale  
4       terminal"; amending s. 24.105, F.S.; authorizing the  
5       Department of the Lottery to create a program that  
6       authorizes a person to purchase a lottery ticket or  
7       game at a point-of-sale terminal; authorizing the  
8       department to adopt rules; amending s. 24.112, F.S.;  
9       authorizing the department, a retailer operating from  
10      one or more locations, or a vendor approved by the  
11      department to use a point-of-sale terminal to sell  
12      lottery tickets or games; requiring a point-of-sale  
13      terminal to perform certain functions; prohibiting a  
14      point-of-sale terminal from dispensing money for  
15      winnings; authorizing winnings to be directly  
16      deposited into a player's account pursuant to a  
17      process approved by the department; prohibiting a  
18      point-of-sale terminal from including video depictions  
19      of slot machine or casino game themes or titles for  
20      game play; providing an effective date.

21  
22 Be It Enacted by the Legislature of the State of Florida:

23  
24       Section 1. Section 24.103, Florida Statutes, is reordered  
25 and amended to read:

26       24.103 Definitions.—As used in this act, the term:

27       (1) "Department" means the Department of the Lottery.

28       (6)~~(2)~~ "Secretary" means the secretary of the department.

29       (3) "Person" means any individual, firm, association, joint

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30 adventure, partnership, estate, trust, syndicate, fiduciary,  
31 corporation, or other group or combination and includes an ~~shall~~  
32 ~~include~~ any agency or political subdivision of the state.

33 (4) "Point-of-sale terminal" means an electronic device  
34 used to process credit card, debit card, or other similar charge  
35 card payments at retail locations which is supported by a  
36 payment network that enables verification, transfer of funds,  
37 and logging of transactions.

38 (2)~~(4)~~ "Major procurement" means a procurement for a  
39 contract for the printing of tickets for use in any lottery  
40 game, consultation services for the startup of the lottery, any  
41 goods or services involving the official recording for lottery  
42 game play purposes of a player's selections in any lottery game  
43 involving player selections, any goods or services involving the  
44 receiving of a player's selection directly from a player in any  
45 lottery game involving player selections, any goods or services  
46 involving the drawing, determination, or generation of winners  
47 in any lottery game, the security report services provided for  
48 in this act, or any goods and services relating to marketing and  
49 promotion which exceed a value of \$25,000.

50 (5) "Retailer" means a person who sells lottery tickets on  
51 behalf of the department pursuant to a contract.

52 (7)~~(6)~~ "Vendor" means a person who provides or proposes to  
53 provide goods or services to the department, but does not  
54 include an employee of the department, a retailer, or a state  
55 agency.

56 Section 2. Present subsections (19) and (20) of section  
57 24.105, Florida Statutes, are redesignated as subsections (20)  
58 and (21), respectively, and a new subsection (19) is added to

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59 that section, to read:

60 24.105 Powers and duties of department.—The department  
61 shall:

62 (19) Have the authority to create a program that allows a  
63 person who is 18 years of age or older to purchase a lottery  
64 ticket or game at a point-of-sale terminal. The department may  
65 adopt rules to administer the program.

66 Section 3. Section 24.112, Florida Statutes, is amended to  
67 read:

68 24.112 Retailers of lottery tickets; ~~authorization of~~  
69 ~~vending machines; point-of-sale terminals to dispense lottery~~  
70 ~~tickets.~~—

71 (1) The department shall promulgate rules specifying the  
72 terms and conditions for contracting with retailers who will  
73 best serve the public interest and promote the sale of lottery  
74 tickets.

75 (2) In the selection of retailers, the department shall  
76 consider factors such as financial responsibility, integrity,  
77 reputation, accessibility of the place of business or activity  
78 to the public, security of the premises, the sufficiency of  
79 existing retailers to serve the public convenience, and the  
80 projected volume of the sales for the lottery game involved. In  
81 the consideration of these factors, the department may require  
82 the information it deems necessary of any person applying for  
83 authority to act as a retailer. However, the department may not  
84 establish a limitation upon the number of retailers and shall  
85 make every effort to allow small business participation as  
86 retailers. It is the intent of the Legislature that retailer  
87 selections be based on business considerations and the public

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88 convenience and that retailers be selected without regard to  
89 political affiliation.

90 (3) The department may ~~shall~~ not contract with any person  
91 as a retailer who:

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

93 (b) Is engaged exclusively in the business of selling  
94 lottery tickets; however, this paragraph may ~~shall~~ not preclude  
95 the department from selling lottery tickets.

96 (c) Has been convicted of, or entered a plea of guilty or  
97 nolo contendere to, a felony committed in the preceding 10  
98 years, regardless of adjudication, unless the department  
99 determines that:

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

102 2. Subsequent to such conviction or entry of plea the  
103 person has engaged in the kind of law-abiding commerce and good  
104 citizenship that would reflect well upon the integrity of the  
105 lottery; or

106 3. If the person is a firm, association, partnership,  
107 trust, corporation, or other entity, the person has terminated  
108 its relationship with the individual whose actions directly  
109 contributed to the person's conviction or entry of plea.

110 (4) The department shall issue a certificate of authority  
111 to each person with whom it contracts as a retailer for purposes  
112 of display pursuant to subsection (6). The issuance of the  
113 certificate may ~~shall~~ not confer upon the retailer any right  
114 apart from that specifically granted in the contract. The  
115 authority to act as a retailer may ~~shall~~ not be assignable or  
116 transferable.

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117 (5) A ~~Any~~ contract executed by the department pursuant to  
118 this section shall specify the reasons for any suspension or  
119 termination of the contract by the department, including, but  
120 not limited to:

121 (a) Commission of a violation of this act or rule adopted  
122 pursuant thereto.

123 (b) Failure to accurately account for lottery tickets,  
124 revenues, or prizes as required by the department.

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

126 (d) Insufficient sale of tickets.

127 (e) Conduct prejudicial to public confidence in the  
128 lottery.

129 (f) Any material change in any matter considered by the  
130 department in executing the contract with the retailer.

131 (6) Each ~~Every~~ retailer shall post and keep conspicuously  
132 displayed in a location on the premises accessible to the public  
133 its certificate of authority and, with respect to each game, a  
134 statement supplied by the department of the estimated odds of  
135 winning a ~~some~~ prize for the game.

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

140 (8) With respect to any retailer whose rental payments for  
141 premises are contractually computed, in whole or in part, on the  
142 basis of a percentage of retail sales, and where such  
143 computation of retail sales is not explicitly defined to include  
144 sales of tickets in a state-operated lottery, the compensation  
145 received by the retailer from the department shall be deemed to

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146 be the amount of the retail sale for the purposes of such  
147 contractual compensation.

148 (9) (a) The department may require each ~~every~~ retailer to  
149 post an appropriate bond as determined by the department, using  
150 an insurance company acceptable to the department, in an amount  
151 not to exceed twice the average lottery ticket sales of the  
152 retailer for the period within which the retailer is required to  
153 remit lottery funds to the department. For the first 90 days of  
154 sales of a new retailer, the amount of the bond may not exceed  
155 twice the average estimated lottery ticket sales for the period  
156 within which the retailer is required to remit lottery funds to  
157 the department. This paragraph does ~~shall~~ not apply to lottery  
158 tickets that ~~which~~ are prepaid by the retailer.

159 (b) In lieu of such bond, the department may purchase  
160 blanket bonds covering all or selected retailers or may allow a  
161 retailer to deposit and maintain with the Chief Financial  
162 Officer securities that are interest bearing or accruing and  
163 that, with the exception of those specified in subparagraphs 1.  
164 and 2., are rated in one of the four highest classifications by  
165 an established nationally recognized investment rating service.  
166 Securities eligible under this paragraph shall be limited to:

167 1. Certificates of deposit issued by solvent banks or  
168 savings associations organized and existing under the laws of  
169 this state or under the laws of the United States and having  
170 their principal place of business in this state.

171 2. United States bonds, notes, and bills for which the full  
172 faith and credit of the government of the United States is  
173 pledged for the payment of principal and interest.

174 3. General obligation bonds and notes of any political

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175 subdivision of the state.

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

178  
179 Such securities shall be held in trust and shall have at all  
180 times a market value at least equal to an amount required by the  
181 department.

182 (10) Each ~~Every~~ contract entered into by the department  
183 pursuant to this section shall contain a provision for payment  
184 of liquidated damages to the department for any breach of  
185 contract by the retailer.

186 (11) The department shall establish procedures by which  
187 each retailer shall account for all tickets sold by the retailer  
188 and account for all funds received by the retailer from such  
189 sales. The contract with each retailer shall include provisions  
190 relating to the sale of tickets, payment of moneys to the  
191 department, reports, service charges, and interest and  
192 penalties, if necessary, as the department shall deem  
193 appropriate.

194 (12) No payment by a retailer to the department for tickets  
195 shall be in cash. All such payments shall be in the form of a  
196 check, bank draft, electronic fund transfer, or other financial  
197 instrument authorized by the secretary.

198 (13) Each retailer shall provide accessibility for disabled  
199 persons on habitable grade levels. This subsection does not  
200 apply to a retail location that ~~which~~ has an entrance door  
201 threshold more than 12 inches above ground level. As used in  
202 ~~herein and for purposes of~~ this subsection ~~only~~, the term  
203 "accessibility for disabled persons on habitable grade levels"

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204 means that retailers shall provide ramps, platforms, aisles and  
205 pathway widths, turnaround areas, and parking spaces to the  
206 extent these are required for the retailer's premises by the  
207 particular jurisdiction where the retailer is located.  
208 Accessibility shall be required to only one point of sale of  
209 lottery tickets for each lottery retailer location. The  
210 requirements of this subsection shall be deemed to have been met  
211 if, in lieu of the foregoing, disabled persons can purchase  
212 tickets from the retail location by means of a drive-up window,  
213 provided the hours of access at the drive-up window are not less  
214 than those provided at any other entrance at that lottery  
215 retailer location. Inspections for compliance with this  
216 subsection shall be performed by those enforcement authorities  
217 responsible for enforcement pursuant to s. 553.80 in accordance  
218 with procedures established by those authorities. Those  
219 enforcement authorities shall provide to the Department of the  
220 Lottery a certification of noncompliance for any lottery  
221 retailer not meeting such requirements.

222 (14) The secretary may, after filing with the Department of  
223 State his or her manual signature certified by the secretary  
224 under oath, execute or cause to be executed contracts between  
225 the department and retailers by means of engraving, imprinting,  
226 stamping, or other facsimile signature.

227 (15) A vending machine may be used to dispense online  
228 lottery tickets, instant lottery tickets, or both online and  
229 instant lottery tickets.

230 (a) The vending machine must:

231 1. Dispense a lottery ticket after a purchaser inserts a  
232 coin or currency in the machine.



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233           2. Be capable of being electronically deactivated for a  
234 period of 5 minutes or more.

235           3. Be designed to prevent its use for any purpose other  
236 than dispensing a lottery ticket.

237           (b) In order to be authorized to use a vending machine to  
238 dispense lottery tickets, a retailer must:

239           1. Locate the vending machine in the retailer's direct line  
240 of sight to ensure that purchases are only made by persons at  
241 least 18 years of age.

242           2. Ensure that at least one employee is on duty when the  
243 vending machine is available for use. However, if the retailer  
244 has previously violated s. 24.1055, at least two employees must  
245 be on duty when the vending machine is available for use.

246           (c) A vending machine that dispenses a lottery ticket may  
247 dispense change to a purchaser but may not be used to redeem any  
248 type of winning lottery ticket.

249           (d) The vending machine, or any machine or device linked to  
250 the vending machine, may not include or make use of video reels  
251 or mechanical reels or other video depictions of slot machine or  
252 casino game themes or titles for game play. This does not  
253 preclude the use of casino game themes or titles on such tickets  
254 or signage or advertising displays on the machines.

255           (16) (a) The department, a retailer operating from one or  
256 more locations, or a vendor approved by the department may use a  
257 point-of-sale terminal to facilitate the sale of lottery tickets  
258 or games. A point-of-sale terminal must:

259           1. Dispense or communicate some form of verifiable lottery  
260 game play, receipt, or ticket after the purchaser uses a credit  
261 card, debit card, charge card, or other similar card issued by a

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262 bank, savings association, credit union, or charge card company  
263 or issued by a retailer pursuant to part II of chapter 520;

264 2. Recognize a valid driver license or use another age-  
265 verification process approved by the department to ensure that  
266 only persons at least 18 years of age may purchase a lottery  
267 ticket or game;

268 3. Process lottery transactions through a platform that is  
269 certified or otherwise approved by the department; and

270 4. Be in compliance with all applicable department  
271 requirements related to the lottery tickets or games offered for  
272 sale, including play limits and restrictions on the types of  
273 cards that are accepted for payment.

274 (b) A point-of-sale terminal may not dispense money to pay  
275 a winning lottery ticket or game; however, winnings may be  
276 directly deposited into a player's account pursuant to a process  
277 approved by the department.

278 (c) A point-of-sale terminal may not include or make use of  
279 video reels or mechanical reels or other video depictions of  
280 slot machine or casino game themes or titles for game play. This  
281 does not preclude the use of casino game themes or titles on a  
282 lottery ticket or game or on the signage or advertising displays  
283 on the terminal.

284 Section 4. This act shall take effect upon becoming a law.