

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 certain persons to purchase a 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 a
12 lottery ticket or game; requiring a point-of-sale
13 terminal to perform certain functions; specifying that
14 the point-of-sale terminal may not reveal winning
15 numbers; prohibiting a point-of-sale terminal from
16 including video depictions of slot machine or casino
17 game themes or titles for game play; prohibiting a
18 point-of-sale terminal from being used to redeem a
19 winning ticket; providing an effective date.

20
21 Be It Enacted by the Legislature of the State of Florida:

22
23 Section 1. Section 24.103, Florida Statutes, is reordered
24 and amended to read:

25 24.103 Definitions.—As used in this act, the term:

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

27 (6)~~(2)~~ "Secretary" means the secretary of the department.

28 (3) "Person" means any individual, firm, association, joint
29 adventure, partnership, estate, trust, syndicate, fiduciary,

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30 corporation, or other group or combination and includes an ~~shall~~
31 ~~include any~~ agency or political subdivision of the state.

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

37 (2)~~(4)~~ "Major procurement" means a procurement for a
38 contract for the printing of tickets for use in any lottery
39 game, consultation services for the startup of the lottery, any
40 goods or services involving the official recording for lottery
41 game play purposes of a player's selections in any lottery game
42 involving player selections, any goods or services involving the
43 receiving of a player's selection directly from a player in any
44 lottery game involving player selections, any goods or services
45 involving the drawing, determination, or generation of winners
46 in any lottery game, the security report services provided for
47 in this act, or any goods and services relating to marketing and
48 promotion which exceed a value of \$25,000.

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

51 (7)~~(6)~~ "Vendor" means a person who provides or proposes to
52 provide goods or services to the department, but does not
53 include an employee of the department, a retailer, or a state
54 agency.

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

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59 24.105 Powers and duties of department.—The department
60 shall:

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

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

67 24.112 Retailers of lottery tickets; ~~authorization of~~
68 ~~vending machines; point-of-sale terminals to dispense lottery~~
69 ~~tickets.~~—

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

74 (2) In the selection of retailers, the department shall
75 consider factors such as financial responsibility, integrity,
76 reputation, accessibility of the place of business or activity
77 to the public, security of the premises, the sufficiency of
78 existing retailers to serve the public convenience, and the
79 projected volume of the sales for the lottery game involved. In
80 the consideration of these factors, the department may require
81 the information it deems necessary of any person applying for
82 authority to act as a retailer. However, the department may not
83 establish a limitation upon the number of retailers and shall
84 make every effort to allow small business participation as
85 retailers. It is the intent of the Legislature that retailer
86 selections be based on business considerations and the public
87 convenience and that retailers be selected without regard to

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88 political affiliation.

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

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

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

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

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

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

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

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

116 (5) A ~~Any~~ contract executed by the department pursuant to

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117 this section shall specify the reasons for any suspension or
118 termination of the contract by the department, including, but
119 not limited to:

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

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

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

125 (d) Insufficient sale of tickets.

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

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

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

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

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

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146 contractual compensation.

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

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

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

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

173 3. General obligation bonds and notes of any political
174 subdivision of the state.

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

177
178 Such securities shall be held in trust and shall have at all
179 times a market value at least equal to an amount required by the
180 department.

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

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

193 (12) ~~No~~ Payment by a retailer to the department for tickets
194 may not shall be in cash. All such payments shall be in the form
195 of a check, bank draft, electronic fund transfer, or other
196 financial instrument authorized by the secretary.

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

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

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

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

229 (a) The vending machine must:

- 230 1. Dispense a lottery ticket after a purchaser inserts a
231 coin or currency in the machine.
- 232 2. Be capable of being electronically deactivated for a

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233 period of 5 minutes or more.

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

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

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

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

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

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

254 (16) The department, a retailer operating from one or more
255 locations, or a vendor approved by the department may use a
256 point-of-sale terminal to facilitate the sale of a lottery
257 ticket or game.

258 (a) A point-of-sale terminal must:

259 1. Dispense a paper lottery ticket with numbers selected by
260 the purchaser or selected randomly by the machine after the
261 purchaser uses a credit card, debit card, charge card, or other

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

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

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

271 4. Be in compliance with all applicable department
272 requirements related to the lottery ticket or game offered for
273 sale.

274 (b) A point-of-sale terminal does not reveal winning
275 numbers, which are selected at a subsequent time and different
276 location through a drawing by the Florida Lottery.

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

284 (d) A point-of-sale terminal may not be used to redeem a
285 winning ticket.

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