

**By** the Committee on Regulated Industries; and Senators Richter, Diaz de la Portilla, and Braynon

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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 that revenue generated by a  
20      point-of-sale-terminal shall be used to enhance  
21      instructional technology resources for students and  
22      teachers in this state; providing an effective date.

23  
24   Be It Enacted by the Legislature of the State of Florida:

25  
26       Section 1. Section 24.103, Florida Statutes, is reordered  
27   and amended to read:

28       24.103 Definitions.—As used in this act, the term:

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

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30        (6)~~(2)~~ "Secretary" means the secretary of the department.

31        (3) "Person" means any individual, firm, association, joint  
32        adventure, partnership, estate, trust, syndicate, fiduciary,  
33        corporation, or other group or combination and includes an ~~shall~~  
34        ~~include any~~ agency or political subdivision of the state.

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

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

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

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

58        Section 2. Present subsections (19) and (20) of section

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59 24.105, Florida Statutes, are redesignated as subsections (20)  
60 and (21), respectively, and a new subsection (19) is added to  
61 that section, to read:

62 24.105 Powers and duties of department.—The department  
63 shall:

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

68 Section 3. Section 24.112, Florida Statutes, is amended to  
69 read:

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

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

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

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88 retailers. It is the intent of the Legislature that retailer  
89 selections be based on business considerations and the public  
90 convenience and that retailers be selected without regard to  
91 political affiliation.

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

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

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

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

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

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

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

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

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117 authority to act as a retailer may ~~shall~~ not be assignable or  
118 transferable.

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

123 (a) Commission of a violation of this act or rule adopted  
124 pursuant thereto.

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

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

128 (d) Insufficient sale of tickets.

129 (e) Conduct prejudicial to public confidence in the  
130 lottery.

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

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

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

142 (8) With respect to any retailer whose rental payments for  
143 premises are contractually computed, in whole or in part, on the  
144 basis of a percentage of retail sales, and where such  
145 computation of retail sales is not explicitly defined to include

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146 sales of tickets in a state-operated lottery, the compensation  
147 received by the retailer from the department shall be deemed to  
148 be the amount of the retail sale for the purposes of such  
149 contractual compensation.

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

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

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

173 2. United States bonds, notes, and bills for which the full  
174 faith and credit of the government of the United States is

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175 pledged for the payment of principal and interest.

176 3. General obligation bonds and notes of any political  
177 subdivision of the state.

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

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

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

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

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

200 (13) Each retailer shall provide accessibility for disabled  
201 persons on habitable grade levels. This subsection does not  
202 apply to a retail location that ~~which~~ has an entrance door  
203 threshold more than 12 inches above ground level. As used in

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

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

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

232 (a) The vending machine must:



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233 1. Dispense a lottery ticket after a purchaser inserts a  
234 coin or currency in the machine.

235 2. Be capable of being electronically deactivated for a  
236 period of 5 minutes or more.

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

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

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

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

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

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

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

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

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262 1. Dispense a paper lottery ticket with numbers selected by  
263 the purchaser or selected randomly by the machine after the  
264 purchaser uses a credit card, debit card, charge card, or other  
265 similar card issued by a bank, savings association, credit  
266 union, or charge card company or issued by a retailer pursuant  
267 to part II of chapter 520 for payment;

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

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

274 4. Be in compliance with all applicable department  
275 requirements related to the lottery ticket or game offered for  
276 sale.

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

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

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

289 (17) Revenue generated from a point-of-sale terminal under  
290 this section shall be used to enhance instructional technology

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291 resources for students and teachers in this state.

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