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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 play slip for a lottery game or other games at a
8 point-of-sale terminal; authorizing the department to
9 adopt rules; amending s. 24.112, F.S.; authorizing the
10 department, a retailer operating from one or more
11 locations, or a vendor approved by the department to
12 use a point-of-sale terminal to sell a ticket or play
13 slip for a lottery game or other games; requiring a
14 point-of-sale terminal to perform certain functions;
15 prohibiting a point-of-sale terminal from revealing
16 the winning numbers; requiring the Florida lottery,
17 through a drawing, to select the winning numbers at a
18 subsequent time and in a different location;
19 prohibiting a point-of-sale terminal from including
20 video depictions of slot machine or casino game themes
21 or titles for game play; prohibiting a point-of-sale
22 terminal from being used to redeem a winning ticket;
23 providing an effective date.

24
25 Be It Enacted by the Legislature of the State of Florida:
26

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

29 24.103 Definitions.—As used in this act, the term:

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

31 (6)~~(2)~~ "Secretary" means the secretary of the department.

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

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

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

53 promotion which exceed a value of \$25,000.

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

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

60 Section 2. Present subsections (19) and (20) of section
61 24.105, Florida Statutes, are redesignated as subsections (20)
62 and (21), respectively, and a new subsection (19) is added to
63 that section, to read:

64 24.105 Powers and duties of department.—The department
65 shall:

66 (19) Have the authority to create a program that allows a
67 person who is 18 years of age or older to purchase a ticket or
68 play slip for a lottery game or other games at a point-of-sale
69 terminal. The department may adopt rules to administer the
70 program.

71 Section 3. Section 24.112, Florida Statutes, is amended to
72 read:

73 24.112 Retailers of lottery tickets; ~~authorization of~~
74 vending machines; point-of-sale terminals to dispense lottery
75 ~~tickets.~~—

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

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79 tickets.

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

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

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

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

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

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

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

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

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

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

126 (a) Commission of a violation of this act or rule adopted
127 pursuant thereto.

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

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

131 (d) Insufficient sale of tickets.

132 (e) Conduct prejudicial to public confidence in the
133 lottery.

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

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

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

145 (8) With respect to any retailer whose rental payments for
146 premises are contractually computed, in whole or in part, on the
147 basis of a percentage of retail sales, and where such
148 computation of retail sales is not explicitly defined to include
149 sales of tickets in a state-operated lottery, the compensation
150 received by the retailer from the department shall be deemed to
151 be the amount of the retail sale for the purposes of such
152 contractual compensation.

153 (9) (a) The department may require each ~~every~~ retailer to
154 post an appropriate bond as determined by the department, using
155 an insurance company acceptable to the department, in an amount
156 not to exceed twice the average lottery ticket sales of the

157 retailer for the period within which the retailer is required to
158 remit lottery funds to the department. For the first 90 days of
159 sales of a new retailer, the amount of the bond may not exceed
160 twice the average estimated lottery ticket sales for the period
161 within which the retailer is required to remit lottery funds to
162 the department. This paragraph does ~~shall~~ not apply to lottery
163 tickets that ~~which~~ are prepaid by the retailer.

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

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

176 2. United States bonds, notes, and bills for which the
177 full faith and credit of the government of the United States is
178 pledged for the payment of principal and interest.

179 3. General obligation bonds and notes of any political
180 subdivision of the state.

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

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184 Such securities shall be held in trust and shall have at all
185 times a market value at least equal to an amount required by the
186 department.

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

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

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

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

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

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

232 (15) A vending machine may be used to dispense online
233 lottery tickets, instant lottery tickets, or both online and
234 instant lottery tickets.

- 235 (a) The vending machine must:
- 236 1. Dispense a lottery ticket after a purchaser inserts a
- 237 coin or currency in the machine.
- 238 2. Be capable of being electronically deactivated for a
- 239 period of 5 minutes or more.
- 240 3. Be designed to prevent its use for any purpose other
- 241 than dispensing a lottery ticket.
- 242 (b) In order to be authorized to use a vending machine to
- 243 dispense lottery tickets, a retailer must:
- 244 1. Locate the vending machine in the retailer's direct
- 245 line of sight to ensure that purchases are only made by persons
- 246 at least 18 years of age.
- 247 2. Ensure that at least one employee is on duty when the
- 248 vending machine is available for use. However, if the retailer
- 249 has previously violated s. 24.1055, at least two employees must
- 250 be on duty when the vending machine is available for use.
- 251 (c) A vending machine that dispenses a lottery ticket may
- 252 dispense change to a purchaser but may not be used to redeem any
- 253 type of winning lottery ticket.
- 254 (d) The vending machine, or any machine or device linked
- 255 to the vending machine, may not include or make use of video
- 256 reels or mechanical reels or other video depictions of slot
- 257 machine or casino game themes or titles for game play. This does
- 258 not preclude the use of casino game themes or titles on such
- 259 tickets or signage or advertising displays on the machines.
- 260 (16) The department, a retailer operating from one or more

261 locations, or a vendor approved by the department may use a
262 point-of-sale terminal to facilitate the sale of a ticket or
263 play slip for a lottery game or other games.

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

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

271 2. Recognize a valid driver license or use another age-
272 verification process approved by the department to ensure that
273 only persons at least 18 years of age may purchase a ticket or
274 play slip for a lottery game or other games;

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

277 4. Be in compliance with all applicable department
278 requirements related to the tickets or play slips for lottery
279 games or other games offered for sale, including play limits and
280 restrictions on the types of cards specified in subparagraph 1.
281 which are accepted for payment.

282 (b) A point-of-sale terminal may not reveal the winning
283 numbers. The Florida Lottery, through a drawing, must select the
284 winning numbers at a subsequent time and in a different
285 location.

286 (c) A point-of-sale terminal, or any machine or device

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287 linked to the point-of-sale terminal, may not include or make
288 use of video reels or mechanical reels or other video depictions
289 of slot machine or casino game themes or titles for game play.
290 This does not preclude the use of casino game themes or titles
291 on a lottery ticket or game or on the signage or advertising
292 displays on the terminal.

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

295 Section 4. This act shall take effect July 1, 2015.