

By Senator Richter

23-00396-16

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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 or making use of video reels or mechanical
17 reels or other video depictions of slot machine or
18 casino game themes or titles for game play;
19 prohibiting a point-of-sale terminal from being used
20 to redeem a winning ticket; providing an effective
21 date.

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

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

27 24.103 Definitions.—As used in this act, the term:

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

29 (6)~~(2)~~ "Secretary" means the secretary of the department.

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

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

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

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

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

57 Section 2. Present subsections (19) and (20) of section
58 24.105, Florida Statutes, are redesignated as subsections (20)

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59 and (21), respectively, and a new subsection (19) is added to
60 that section, to read:

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

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

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

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

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

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

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88 selections be based on business considerations and the public
89 convenience and that retailers be selected without regard to
90 political affiliation.

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

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

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

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

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

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

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

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

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117 transferable.

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

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

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

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

127 (d) Insufficient sale of tickets.

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

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

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

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

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

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146 received by the retailer from the department shall be deemed to
147 be the amount of the retail sale for the purposes of such
148 contractual compensation.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

231 (a) The vending machine must:

232 1. Dispense a lottery ticket after a purchaser inserts a

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233 coin or currency in the machine.

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

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

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

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

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

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

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

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

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

261 1. Dispense a paper lottery ticket with numbers selected by

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

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

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

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

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

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

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

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