

By the Committee on Fiscal Policy; 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; providing requirements for
9 the 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 lottery ticket
13 or game; requiring a point-of-sale terminal to perform
14 certain functions; specifying that the point-of-sale
15 terminal may not reveal winning numbers; prohibiting a
16 point-of-sale terminal from including or making use of
17 video reels or mechanical reels or other video
18 depictions of slot machine or casino game themes or
19 titles for game play; prohibiting a point-of-sale
20 terminal from being used to redeem a winning ticket;
21 providing an effective 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. Such rules shall include,
67 but are not limited to, the following:

68 (a) Limiting the dollar amount of lottery tickets or games
69 that a person may purchase at point-of-sale terminals;

70 (b) Creating a process to enable a customer to restrict or
71 prevent his or her own access to lottery tickets or games; and

72 (c) Ensuring that the program is administered in a manner
73 that does not breach the exclusivity provisions of any Indian
74 gaming compact to which this state is a party.

75 Section 3. Section 24.112, Florida Statutes, is amended to
76 read:

77 24.112 Retailers of lottery tickets; ~~authorization of~~
78 vending machines; point-of-sale terminals to dispense lottery
79 ~~tickets.—~~

80 (1) The department shall promulgate rules specifying the
81 terms and conditions for contracting with retailers who will
82 best serve the public interest and promote the sale of lottery
83 tickets.

84 (2) In the selection of retailers, the department shall
85 consider factors such as financial responsibility, integrity,
86 reputation, accessibility of the place of business or activity
87 to the public, security of the premises, the sufficiency of

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88 existing retailers to serve the public convenience, and the
89 projected volume of the sales for the lottery game involved. In
90 the consideration of these factors, the department may require
91 the information it deems necessary of any person applying for
92 authority to act as a retailer. However, the department may not
93 establish a limitation upon the number of retailers and shall
94 make every effort to allow small business participation as
95 retailers. It is the intent of the Legislature that retailer
96 selections be based on business considerations and the public
97 convenience and that retailers be selected without regard to
98 political affiliation.

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

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

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

105 (c) Has been convicted of, or entered a plea of guilty or
106 nolo contendere to, a felony committed in the preceding 10
107 years, regardless of adjudication, unless the department
108 determines that:

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

111 2. Subsequent to such conviction or entry of plea the
112 person has engaged in the kind of law-abiding commerce and good
113 citizenship that would reflect well upon the integrity of the
114 lottery; or

115 3. If the person is a firm, association, partnership,
116 trust, corporation, or other entity, the person has terminated

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117 its relationship with the individual whose actions directly
118 contributed to the person's conviction or entry of plea.

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

126 (5) A ~~Any~~ contract executed by the department pursuant to
127 this section shall specify the reasons for any suspension or
128 termination of the contract by the department, including, but
129 not limited to:

130 (a) Commission of a violation of this act or rule adopted
131 pursuant thereto.

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

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

135 (d) Insufficient sale of tickets.

136 (e) Conduct prejudicial to public confidence in the
137 lottery.

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

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

145 (7) A ~~No~~ contract with a retailer may not ~~shall~~ authorize

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146 the sale of lottery tickets at more than one location, and a
147 retailer may sell lottery tickets only at the location stated on
148 the certificate of authority.

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

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

168 (b) In lieu of such bond, the department may purchase
169 blanket bonds covering all or selected retailers or may allow a
170 retailer to deposit and maintain with the Chief Financial
171 Officer securities that are interest bearing or accruing and
172 that, with the exception of those specified in subparagraphs 1.
173 and 2., are rated in one of the four highest classifications by
174 an established nationally recognized investment rating service.

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175 Securities eligible under this paragraph shall be limited to:

176 1. Certificates of deposit issued by solvent banks or
177 savings associations organized and existing under the laws of
178 this state or under the laws of the United States and having
179 their principal place of business in this state.

180 2. United States bonds, notes, and bills for which the full
181 faith and credit of the government of the United States is
182 pledged for the payment of principal and interest.

183 3. General obligation bonds and notes of any political
184 subdivision of the state.

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

187

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

191 (10) Each ~~Every~~ contract entered into by the department
192 pursuant to this section shall contain a provision for payment
193 of liquidated damages to the department for any breach of
194 contract by the retailer.

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

203 (12) ~~No~~ Payment by a retailer to the department for tickets

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204 may not ~~shall~~ be in cash. All such payments shall be in the form
205 of a check, bank draft, electronic fund transfer, or other
206 financial instrument authorized by the secretary.

207 (13) Each retailer shall provide accessibility for disabled
208 persons on habitable grade levels. This subsection does not
209 apply to a retail location that ~~which~~ has an entrance door
210 threshold more than 12 inches above ground level. As used in
211 ~~herein and for purposes of~~ this subsection only, the term
212 "accessibility for disabled persons on habitable grade levels"
213 means that retailers shall provide ramps, platforms, aisles and
214 pathway widths, turnaround areas, and parking spaces to the
215 extent these are required for the retailer's premises by the
216 particular jurisdiction where the retailer is located.
217 Accessibility shall be required to only one point of sale of
218 lottery tickets for each lottery retailer location. The
219 requirements of this subsection shall be deemed to have been met
220 if, in lieu of the foregoing, disabled persons can purchase
221 tickets from the retail location by means of a drive-up window,
222 provided the hours of access at the drive-up window are not less
223 than those provided at any other entrance at that lottery
224 retailer location. Inspections for compliance with this
225 subsection shall be performed by those enforcement authorities
226 responsible for enforcement pursuant to s. 553.80 in accordance
227 with procedures established by those authorities. Those
228 enforcement authorities shall provide to the Department of the
229 Lottery a certification of noncompliance for any lottery
230 retailer not meeting such requirements.

231 (14) The secretary may, after filing with the Department of
232 State his or her manual signature certified by the secretary

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233 under oath, execute or cause to be executed contracts between
234 the department and retailers by means of engraving, imprinting,
235 stamping, or other facsimile signature.

236 (15) A vending machine may be used to dispense online
237 lottery tickets, instant lottery tickets, or both online and
238 instant lottery tickets.

239 (a) The vending machine must:

240 1. Dispense a lottery ticket after a purchaser inserts a
241 coin or currency in the machine.

242 2. Be capable of being electronically deactivated for a
243 period of 5 minutes or more.

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

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

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

251 2. Ensure that at least one employee is on duty when the
252 vending machine is available for use. However, if the retailer
253 has previously violated s. 24.1055, at least two employees must
254 be on duty when the vending machine is available for use.

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

258 (d) The vending machine, or any machine or device linked to
259 the vending machine, may not include or make use of video reels
260 or mechanical reels or other video depictions of slot machine or
261 casino game themes or titles for game play. This does not

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262 preclude the use of casino game themes or titles on such tickets
263 or signage or advertising displays on the machines.

264 (16) The department, a retailer operating from one or more
265 locations, or a vendor approved by the department may use a
266 point-of-sale terminal to facilitate the sale of a lottery
267 ticket or game.

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

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

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

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

281 4. Be in compliance with all applicable department
282 requirements related to the lottery ticket or game offered for
283 sale.

284 (b) A point-of-sale terminal does not reveal winning
285 numbers, which are selected at a subsequent time and different
286 location through a drawing by the state lottery.

287 (c) A point-of-sale terminal, or any machine or device
288 linked to the point-of-sale terminal, may not include or make
289 use of video reels or mechanical reels or other video depictions
290 of slot machine or casino game themes or titles for game play.

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291 This does not preclude the use of casino game themes or titles
292 on a lottery ticket or game or on the signage or advertising
293 displays on the terminal.

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

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