

By Senator Brandes

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1 A bill to be entitled
2 An act relating to sports wagering; creating ch. 547,
3 F.S.; defining terms; authorizing certain persons to
4 place wagers on a sports event under certain
5 circumstances; providing duties and responsibilities
6 of the Department of the Lottery relating to sports
7 pools; requiring the department to adopt rules;
8 authorizing persons to apply to the department for a
9 license to operate a sports pool; providing
10 requirements for such application; requiring licensees
11 to annually renew their licenses; prohibiting sports
12 pools from being offered by anyone other than the
13 department or a licensee; specifying requirements for
14 accepting wagers on sports events; authorizing a
15 licensee to have certain websites and applications
16 under certain circumstances; authorizing the
17 department or licensees to provide certain benefits to
18 induce a person to wager; requiring licensees to
19 perform background checks on all employees and provide
20 certain documentation to the department upon request;
21 prohibiting certain persons from wagering under
22 certain circumstances; providing applicability;
23 requiring the department and licensees to adopt
24 certain procedures to prevent certain persons from
25 wagering; prohibiting the department and licensees
26 from accepting wagers from certain persons; requiring
27 a licensee to promptly notify the department of
28 certain information; providing for the disbursement of
29 unclaimed winnings; providing civil and criminal

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penalties; providing a contingent effective date.

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

Section 1. Chapter 547, Florida Statutes, consisting of sections 547.001, 547.002, 547.003, 547.004, 547.005, 547.006, 547.007, and 547.008, is created to read:

CHAPTER 547

SPORTS WAGERING

547.001 Definitions.—As used in this chapter, the term:

(1) "Collegiate sport or athletic event" means a sport or athletic event offered or sponsored by or played in connection with a public or private institution that offers educational services beyond the secondary level.

(2) "Department" means the Department of the Lottery.

(3) "Licensee" means an entity that holds a license issued by the department to operate an online sports pool.

(4) "Professional sport or athletic event" means an event at which two or more persons participate in sports or athletic events and receive compensation in excess of actual expenses for their participation in such event.

(5) "Sports event" means any professional sport or athletic event, any Olympic or international sports competition event, and any collegiate sports or athletic event, or any portion thereof, including, but not limited to, the individual performance statistics of athletes in a sports event or combination of sports events. The term does not include any high school or youth sports event.

(6) "Sports pool" means the business of accepting wagers on

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59 any sports event by any system or method of wagering other than
60 pari-mutuel, as defined in s. 550.002, including, but not
61 limited to, single-game bets, teaser bets, parlays, over-under,
62 moneyline, pools, proposition bets, exchange wagering, in-game
63 wagering, in-play bets, and straight bets.

64 547.002 Sports wagering authorized.—Notwithstanding any
65 other law, a person who is 21 years of age or older may wager
66 money or any other thing of value on a sports event if the wager
67 is placed with the department or a licensee and the person is
68 physically present in this state.

69 547.003 Authority of department.—The department shall
70 administer this chapter and regulate the operation of sports
71 pools under this chapter and the rules adopted pursuant thereto
72 and shall:

73 (1) Adopt rules to implement this chapter, including, but
74 not limited to, rules:

75 (a) Requiring a licensee to maintain a specified amount of
76 cash reserves;

77 (b) Relating to the acceptance of wagers on a series of
78 sports events;

79 (c) Setting a limit on the maximum wager that a person may
80 place on a single sports event;

81 (d) Regulating the method of accounting licensees must use
82 and what records must be kept;

83 (e) Regulating the use of credit and checks by persons
84 wagering;

85 (f) Requiring protections for persons wagering;

86 (g) Requiring licensees to provide patrons with warnings
87 about gambling addiction and information on where to get help;

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88 and89 (h) Regulating the locations and use of self-service
90 betting kiosks.91 (2) Conduct investigations and monitor the operation of
92 sports pools.93 (3) Review the books, accounts, and records of any current
94 or former licensee.95 (4) Suspend or revoke any license issued under this
96 chapter, after a hearing, for any violation of this chapter or
97 the administrative rules adopted pursuant thereto.98 (5) Take testimony, issue summons and subpoenas for any
99 witness, and issue subpoenas duces tecum in connection with any
100 matter within its jurisdiction.101 547.004 Sports wagering licenses.-102 (1) A person may apply to the department for a license to
103 operate a sports pool.104 (2) All applications submitted pursuant to this section
105 must be on a form prescribed by the department and adopted by
106 rule.107 (3) A licensee must annually renew a license issued under
108 this section.109 547.005 Sports pools.-110 (1) A sports pool may not be offered by any person other
111 than the department or a licensee.112 (2) A licensee may accept wagers only from persons who are
113 21 years of age or older and who are wagering through a website
114 or application offered under subsection (3), and the department
115 may accept wagers only from persons who are 21 years of age or
116 older and who are wagering at a self-service kiosk operated by

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117 the department.

118 (3) (a) A licensee may have individually branded websites
119 for the purposes of offering a sports pool, each of which may
120 have an accompanying mobile application bearing the same brand
121 as the website.

122 (b) Until a license is received from the department, an
123 applicant may not make a website or application available to the
124 public and may not accept wagers unless the wagers are strictly
125 for testing purposes and nothing of value is wagered or
126 exchanged.

127 (4) The department or licensees may provide promotional
128 credits, incentives, bonuses, complimentaries, or similar
129 benefits designed to induce a person to wager.

130 (5) A licensee must perform background checks on all of its
131 employees and must provide any documentation relating to the
132 background checks and a list identifying all of the licensee's
133 employees to the department upon request.

134 547.006 Prohibitions.—

135 (1) (a) The following persons are prohibited from wagering
136 on a sports event that is overseen by the person's sports
137 governing body based on publicly available information:

138 1. An athlete, a coach, a referee, or a director of a
139 sports governing body or any of such body's member teams.

140 2. A person who is a direct or indirect legal or beneficial
141 owner of 10 percent or greater of a sports governing body or any
142 of such body's member teams.

143 3. A sports governing body or any of such body's member
144 teams.

145 4. A person who holds a position of authority or influence

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146 sufficient to exert influence over the participants in a sports
147 event, including, but not limited to, a coach, manager, handler,
148 or trainer.

149 5. A person with access to exclusive information on any
150 sports event overseen by his or her sports governing body.

151 6. A person identified by any lists of prohibited persons
152 provided to the department by a sports governing body. The
153 department must provide licensees with any such list upon
154 receipt.

155 (b) This subsection does not apply to any person who is a
156 direct or indirect owner of a sports governing body member team
157 and the shares of such person are registered pursuant to s. 12
158 of the Securities Exchange Act of 1934 and the value of the
159 ownership of such team represents less than 1 percent of the
160 person's total enterprise value.

161 (2) The department and licensees shall adopt procedures to
162 prevent persons who are prohibited from wagering on sports
163 events under subsection (1) from wagering on sports events.
164 Additionally, the department and licensees may not accept wagers
165 from any person whose identity is known to the department or
166 licensee and who:

167 (a) Is the director, officer, owner, or employee of the
168 department or licensee or any relative of such person living in
169 the same household;

170 (b) Has access to nonpublic confidential information held
171 by the department or licensee; or

172 (c) Is an agent or proxy for another person.

173 (3) A licensee must promptly notify the department of any
174 of the following:

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175 (a) A criminal or disciplinary proceeding commenced against
176 the licensee or any of its employees in connection with the
177 operations of a sports pool.

178 (b) Abnormal betting activity or patterns that may indicate
179 a concern about the integrity of a sports event.

180 (c) Conduct that has the potential to corrupt a betting
181 outcome of a sports event for purposes of financial gain,
182 including, but not limited to, match fixing.

183 (d) Suspicious or illegal wagering activities, including,
184 but not limited to, the use of funds derived from illegal
185 activity, wagers to conceal or launder funds derived from
186 illegal activity, agents to place wagers, or false
187 identification.

188 547.007 Unclaimed winnings.—If a person does not claim a
189 winning wager within 1 year after the wager is graded, the
190 obligation of the department or the licensee to pay the winnings
191 expires and the funds must be distributed as follows:

192 (1) For wagers placed at a self-service kiosk operated by
193 the department, 100 percent to the Operating Trust Fund created
194 under s. 24.120.

195 (2) For wagers placed through a website or application
196 offered by a licensee, 50 percent retained by the licensee and
197 the remaining 50 percent to the Operating Trust Fund.

198 547.008 Penalties.—

199 (1) Except as otherwise provided by law and in addition to
200 any other penalty, any person who knowingly makes or causes to
201 be made, or aids, assists, or procures another to make, a false
202 statement in any report, disclosure, or application, or any
203 other document required under this chapter or any rule adopted

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204 under this chapter, is subject to an administrative fine or
205 civil penalty of up to \$10,000.

206 (2) Any person who violates s. 547.006 is subject to an
207 administrative fine or civil penalty of up to \$1,000 per
208 violation.

209 (3) Any person who operates a sports pool without a valid
210 license issued pursuant to this chapter commits a felony of the
211 third degree, punishable as provided in s. 775.082, s. 775.083,
212 or s. 775.084.

213 (4) Any licensee who violates any provision of this chapter
214 commits a misdemeanor of the first degree, punishable as
215 provided in s. 775.082 or s. 775.083. Any licensee who commits a
216 second or subsequent violation of the same paragraph or
217 subsection within a period of 3 years from the date of a prior
218 conviction for a violation of such paragraph or subsection
219 commits a felony of the third degree, punishable as provided in
220 s. 775.082, s. 775.083, or s. 775.084.

221 (5) Any person who knowingly excludes, or takes any action
222 in an attempt to exclude, anything of value from the deposit,
223 counting, collection, or computation of revenues from sports
224 wagering activity, or any person who by trick, sleight-of-hand
225 performance, a fraud or fraudulent scheme, or device wins or
226 attempts to win, for himself or herself or for another, money or
227 property or a combination thereof or reduces or attempts to
228 reduce a losing wager in connection with sports wagering commits
229 a felony of the third degree, punishable as provided in s.
230 775.082, s. 775.083, or s. 775.084.

231 (6) Theft of any sports wagering proceeds belonging to a
232 licensee by an employee of the licensee or by an employee of a

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233 person, firm, or entity that has contracted to provide services
234 to the licensee constitutes a felony of the third degree,
235 punishable as provided in s. 775.082 or s. 775.083.

236 (7) All penalties imposed and collected under this section
237 must be deposited into the department's Operating Trust Fund.

238 Section 2. This act shall take effect October 1, 2020, if
239 SB ___ and SB ___ or similar legislation are adopted in the same
240 legislative session or an extension thereof and become law.