

1 A bill to be entitled
2 An act relating to state lotteries; amending s.
3 24.103, F.S.; defining the term "ball machine";
4 revising the definitions of the terms "major
5 procurement" and "retailer"; amending s. 24.105, F.S.;
6 revising the powers and duties of the Department of
7 the Lottery; amending s. 24.108, F.S.; revising the
8 schedule for the department to have a certain report
9 produced and submitted to the Governor and the
10 Legislature; amending s. 24.111, F.S.; revising the
11 information required to be provided to the department
12 by persons who submit a bid, a proposal, or an offer
13 to negotiate a contract for major procurement;
14 amending s. 24.112, F.S.; revising the bond amount a
15 retailer may be required to post for the period within
16 which the retailer is required to remit lottery funds
17 to the department; revising certain requirements
18 relating to lottery vending machines; amending s.
19 24.116, F.S.; authorizing the division's sworn law
20 enforcement officers to purchase and present lottery
21 tickets to a lottery retailer to claim a prize under
22 certain circumstances; amending s. 24.118, F.S.;
23 revising certain prohibitions and penalties relating
24 to presenting a counterfeit or altered state lottery
25 ticket; prohibiting certain false claims relating to

26 state lottery tickets; prohibiting a lottery retailer
27 or an employee thereof from using such position to
28 knowingly facilitate, participate in, or otherwise
29 assist in the theft of a lottery ticket from a retail
30 establishment, patron, or customer; providing criminal
31 penalties; defining the terms "patron" and "customer";
32 providing an effective date.

33
34 Be It Enacted by the Legislature of the State of Florida:

35
36 **Section 1. Present subsections (1) through (6) of section**
37 **24.103, Florida Statutes, are redesignated as subsections (2)**
38 **through (7), respectively, a new subsection (1) is added to that**
39 **section, and present subsections (2) and (4) of that section are**
40 **amended, to read:**

41 24.103 Definitions.—As used in this act:

42 (1) "Ball machine" means a device that mechanically mixes
43 a set of numbered balls and then randomly draws from that mix to
44 determine the winning numbers for a specific game.

45 (3)(2) "Major procurement" means a procurement for a
46 contract for the printing of tickets for use in any lottery
47 game, ~~consultation services for the startup of the lottery,~~ any
48 goods or services involving the official recording for lottery
49 game play purposes of a player's selections in any lottery game
50 involving player selections, any goods or services involving the

51 receiving of a player's selection directly from a player in any
52 lottery game involving player selections, any goods or services
53 involving the drawing, determination, or generation of winners
54 in any lottery game, the security report services provided for
55 in this act, or any goods and services relating to marketing and
56 promotion which exceed a value of \$25,000.

57 (5)~~(4)~~ "Retailer" means the department or a person who
58 sells lottery tickets on behalf of the department pursuant to a
59 contract.

60 **Section 2. Present paragraphs (i) and (j) of subsection**
61 **(9) of section 24.105, Florida Statutes, are redesignated as**
62 **paragraphs (j) and (k), respectively, a new paragraph (i) is**
63 **added to that subsection, and paragraphs (a) and (d) of**
64 **subsection (9) and subsection (17) of that section are amended,**
65 **to read:**

66 24.105 Powers and duties of department.—The department
67 shall:

68 (9) Adopt rules governing the establishment and operation
69 of the state lottery, including:

70 (a) The type of lottery games to be conducted, except
71 that:

72 1. The ~~No~~ name of an elected official may not ~~shall~~ appear
73 on the ticket or play slip of any lottery game or on any prize
74 or on any instrument used for the payment of prizes, unless such
75 prize is in the form of a state warrant.

76 2. ~~No~~ Coins or currency may not ~~shall~~ be dispensed from
77 any electronic computer terminal or device used in any lottery
78 game.

79 3. Other than as specifically provided in s. 24.112, ~~a no~~
80 terminal or device may not be used for any lottery game which
81 may be operated solely by the player without the assistance of
82 the retailer.

83 (d) The method of selecting winning tickets. However, if a
84 lottery game involves the use of a ball machine to conduct a
85 drawing, the drawing must ~~shall~~ be public and witnessed by an
86 accountant employed by an independent certified public
87 accounting firm. The department shall inspect the equipment used
88 in the drawing ~~shall be inspected~~ before and after the drawing.

89 (i) The acceptable forms of payment for ticket purchases.

90 (17) ~~Have the authority to~~ Enter into agreements with
91 other states for the operation and promotion of a multistate
92 lottery if such agreements are in the best interest of the state
93 lottery. ~~The authority conferred by this subsection is not~~
94 ~~effective until 1 year after the first day of lottery ticket~~
95 ~~sales.~~

96 **Section 3. Subsections (6) and (7) of section 24.108,**
97 **Florida Statutes, are amended to read:**

98 24.108 Division of Security; duties; security report.—

99 (6) The division shall monitor ticket validation and
100 lottery drawings where ball machines are used to select winning

101 numbers.

102 (7) (a) By July 1, 2027, and once every 2 years thereafter
103 ~~After the first full year of sales of tickets to the public, or~~
104 ~~sooner if the secretary deems necessary,~~ the department shall
105 engage an independent firm experienced in security procedures,
106 including, but not limited to, computer security and systems
107 security, to conduct a comprehensive study and evaluation of all
108 aspects of security in the operation of the department.

109 (b) The portion of the security report containing the
110 overall evaluation of the department in terms of each aspect of
111 security must ~~shall~~ be presented to the Governor, the President
112 of the Senate, and the Speaker of the House of Representatives.
113 The portion of the security report containing specific
114 recommendations is ~~shall be~~ confidential and must ~~shall~~ be
115 presented only to the secretary, the Governor, and the Auditor
116 General; however, upon certification that such information is
117 necessary for the purpose of effecting legislative changes, such
118 information must ~~shall~~ be disclosed to the President of the
119 Senate and the Speaker of the House of Representatives, who may
120 disclose such information to members of the Legislature and
121 legislative staff as necessary to effect such purpose. However,
122 any person who receives a copy of such information or other
123 information which is confidential pursuant to this act or rule
124 of the department shall maintain its confidentiality. The
125 confidential portion of the report is exempt from ~~the provisions~~

126 of s. 119.07(1) and s. 24(a), Art. I of the State Constitution.

127 ~~(c) Thereafter, similar studies of security shall be~~
128 ~~conducted as the department deems appropriate but at least once~~
129 ~~every 2 years.~~

130 **Section 4. Subsection (2) of section 24.111, Florida**
131 **Statutes, are amended to read:**

132 24.111 Vendors; disclosure and contract requirements.—

133 (2) The department shall investigate the financial
134 responsibility, security, and integrity of each vendor with
135 which it intends to negotiate a contract for major procurement.
136 Such investigation may include an investigation of the financial
137 responsibility, security, and integrity of any or all persons
138 whose names and addresses are required to be disclosed pursuant
139 to paragraph (a). Any person who submits a bid, a proposal, or
140 an offer as part of a major procurement must, at the time of
141 submitting such bid, proposal, or offer, provide the following:

142 (a) A disclosure of the vendor's name and address and, as
143 applicable, the name and address and any additional disclosures
144 necessary for an investigation of the financial responsibility,
145 security, and integrity of the following:

146 1. If the vendor is a corporation, the officers,
147 directors, and each stockholder in such corporation; except
148 that, in the case of owners of equity securities of a publicly
149 traded corporation, only the names and addresses of those known
150 to the corporation to own beneficially 5 percent or more of such

151 securities need be disclosed.

152 2. If the vendor is a trust, the trustee and all persons
153 entitled to receive income or benefit from the trust.

154 3. If the vendor is an association, the members, officers,
155 and directors.

156 4. If the vendor is a partnership or joint venture, all of
157 the general partners, limited partners, or joint venturers.

158
159 If the vendor subcontracts any substantial portion of the work
160 to be performed to a subcontractor, the vendor must ~~shall~~
161 disclose all of the information required by this paragraph for
162 the subcontractor as if the subcontractor were itself a vendor.

163 (b) A disclosure of all the states and jurisdictions in
164 which the vendor does business and of the nature of that
165 business for each such state or jurisdiction.

166 (c) A disclosure of all the states and jurisdictions in
167 which the vendor has contracts to supply gaming goods or
168 services, including, but not limited to, lottery goods and
169 services, and of the nature of the goods or services involved
170 for each such state or jurisdiction.

171 (d) A disclosure of all the states and jurisdictions in
172 which the vendor has applied for, has sought renewal of, has
173 received, has been denied, has pending, or has had revoked a
174 gaming license or contract of any kind and of the disposition of
175 such in each such state or jurisdiction. If any gaming license

176 or contract has been revoked or has not been renewed or any
177 gaming license or contract application has been either denied or
178 is pending and has remained pending for more than 6 months, all
179 of the facts and circumstances underlying this failure to
180 receive such a license must be disclosed.

181 (e) A disclosure of the details of any conviction or
182 judgment of a state or federal court of the vendor of any felony
183 or any other criminal offense other than a traffic violation.

184 (f) A disclosure of the details of any bankruptcy,
185 insolvency, reorganization, or any pending litigation of the
186 vendor.

187 (g) Such additional disclosures and information as the
188 department may determine to be appropriate for the procurement
189 involved.

190 ~~(h) The department shall lease all vending machines that~~
191 ~~dispense online lottery tickets, instant lottery tickets, or~~
192 ~~both online and instant lottery tickets.~~

193 ~~(i) The department will require a performance bond for the~~
194 ~~duration of the contract.~~

195
196 The department may ~~shall~~ not contract with any vendor who fails
197 to make the disclosures required by this subsection, and any
198 contract with a vendor who has failed to make the required
199 disclosures is ~~shall be~~ unenforceable. Any contract with any
200 vendor who does not comply with such requirements for

periodically updating such disclosures during the tenure of such contract as may be specified in such contract may be terminated by the department. This subsection must ~~shall~~ be construed broadly and liberally to achieve the ends of full disclosure of all information necessary to allow for a full and complete evaluation by the department of the competence, integrity, background, and character of vendors for major procurements.

Section 5. Subsection (9) and paragraph (a) of subsection (15) of section 24.112, Florida Statutes, are amended to read:

24.112 Retailers of lottery tickets; authorization of vending machines to dispense lottery tickets.—

(9) (a) The department may require every retailer to post an appropriate bond as determined by the department, using an insurance company acceptable to the department, in an amount not to exceed three times ~~twice~~ the average lottery ticket sales of the retailer for the period within which the retailer is required to remit lottery funds to the department. For the first 90 days of sales of a new retailer, the amount of the bond may not exceed three times ~~twice~~ the average estimated lottery ticket sales for the period within which the retailer is required to remit lottery funds to the department. This paragraph does ~~shall~~ not apply to lottery tickets which are prepaid by the retailer.

(b) In lieu of such bond, the department may do any of the following:

226 1. Purchase blanket bonds covering all or selected
227 retailers.

228 2. ~~or may~~ Allow a retailer to deposit and maintain with
229 the Chief Financial Officer securities that are interest bearing
230 or accruing and that, with the exception of those specified in
231 sub-subparagraphs a. and b. ~~subparagraphs 1. and 2.~~, are rated
232 in one of the four highest classifications by an established
233 nationally recognized investment rating service. Securities
234 eligible under this subparagraph are ~~paragraph shall be~~ limited
235 to:

236 a.1. ~~1.~~ Certificates of deposit issued by solvent banks or
237 savings associations organized and existing under the laws of
238 this state or under the laws of the United States and having
239 their principal place of business in this state.

240 b.2. ~~2.~~ United States bonds, notes, and bills for which the
241 full faith and credit of the government of the United States is
242 pledged for the payment of principal and interest.

243 c.3. ~~3.~~ General obligation bonds and notes of any political
244 subdivision of the state.

245 d.4. ~~4.~~ Corporate bonds of any corporation that is not an
246 affiliate or subsidiary of the depositor.

247 3. Allow a retailer to remit funds to the department for
248 deposit in an interest-bearing bank account held by the
249 department.

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

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

(a) The vending machine must:

1. Dispense a lottery ticket following receipt of payment from after a purchaser via inserts a coin, or currency, or a noncredit, cashless payment method authorized by the department; in the machine.

2. Be capable of being electronically deactivated for a period of 5 minutes or more; and-

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

Section 6. Subsection (2) of section 24.116, Florida Statutes, is amended to read:

24.116 Unlawful purchase of lottery tickets; penalty.—

(2) An ~~No~~ officer or employee of the department or any relative living in the same household with such officer or employee may not purchase a lottery ticket. Sworn law enforcement officers employed by the Division of Security may purchase lottery tickets and present lottery tickets to a lottery retailer to claim a prize when such purchase or presentation of lottery tickets is necessary for the performance

of the officers' official duties, including, but not limited to,
compliance operations and investigations.

Section 7. Subsection (3) of section 24.118, Florida Statutes, is amended, and subsections (5) and (6) are added to that section, to read:

24.118 Other prohibited acts; penalties.—

(3) COUNTERFEIT OR ALTERED TICKETS.—A Any person who:

(a) Knowingly presents a counterfeit or altered state lottery ticket;

(b) Knowingly transfers a counterfeit or altered state lottery ticket to another to present for payment; or

(c) With intent to defraud, falsely makes, alters, forges, passes, or counterfeits a state lottery ticket; ~~or~~

~~(d) Files with the department a claim for payment based upon facts alleged by the claimant which facts are untrue and known by the claimant to be untrue when the claim is made;~~

~~commits is guilty of~~ a felony of the third degree, punishable as provided in s. 775.082, s. 775.083, or s. 775.084.

(5) FALSE CLAIM.—A person may not, when presenting or causing to be presented any claim for payment or approval to an officer or employee of the department or to a lottery retailer, knowingly and willfully:

(a) Falsify or conceal a material fact;

(b) Make any false, fictitious, or fraudulent statement or

301 representation relating to a material fact; or

302 (c) Make or use any false document, knowing the document
303 contains a false, fictitious, or fraudulent statement or entry
304 relating to a material fact.

305
306 A person who violates this subsection commits a felony of the
307 third degree, punishable as provided in s. 775.082, s. 775.083,
308 or s. 775.084.

309 (6) THEFT OF LOTTERY TICKET BY RETAILER.—

310 (a) A lottery retailer or an employee thereof may not use
311 his or her position to knowingly facilitate, participate in, or
312 otherwise assist in the theft of any lottery ticket from the
313 retail establishment or from a patron or customer of the retail
314 establishment.

315 (b) A person who violates paragraph (a) commits a felony
316 of the third degree, punishable as provided in s. 775.082, s.
317 775.083, or s. 775.084.

318 (c) As used in this subsection, the terms "patron" and
319 "customer" include a sworn law enforcement officer of the
320 Division of Security presenting a lottery ticket to a lottery
321 retailer to claim a prize during the performance of the law
322 enforcement officer's official duties.

323 **Section 8.** This act shall take effect July 1, 2026.