

**By** the Committee on Regulated Industries; and Senators Simon and Pizzo

580-02243-26

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580-02243-26

2026530c1

30 establishment, patron, or customer; providing criminal  
31 penalties; defining the terms "patron" and "customer";  
32 providing an effective date.

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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 a  
43 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

580-02243-26

2026530c1

59 contract.

60       Section 2. Section. 2. Paragraphs (a) and (d) of  
61 subsection (9) and subsection (17) of section 24.105, Florida  
62 Statutes, are amended to read:63       24.105 Powers and duties of department.—The department  
64 shall:65       (9) Adopt rules governing the establishment and operation  
66 of the state lottery, including:

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

68       1. The ~~No~~ name of an elected official may not ~~shall~~ appear  
69 on the ticket or play slip of any lottery game or on any prize  
70 or on any instrument used for the payment of prizes, unless such  
71 prize is in the form of a state warrant.72       2. ~~No~~ Coins or currency may not ~~shall~~ be dispensed from any  
73 electronic computer terminal or device used in any lottery game.74       3. Other than as specifically provided in s. 24.112, a ~~no~~  
75 terminal or device may not be used for any lottery game which  
76 may be operated solely by the player without the assistance of  
77 the retailer.78       (d) The method of selecting winning tickets. However, if a  
79 lottery game involves the use of a ball machine to conduct a  
80 drawing, the drawing must ~~shall~~ be public and witnessed by an  
81 accountant employed by an independent certified public  
82 accounting firm. The department shall inspect the equipment used  
83 in the drawing ~~shall be inspected~~ before and after the drawing.84       (17) ~~Have the authority to~~ Enter into agreements with other  
85 states for the operation and promotion of a multistate lottery  
86 if such agreements are in the best interest of the state  
87 lottery. ~~The authority conferred by this subsection is not~~

580-02243-26

2026530c1

88 ~~effective until 1 year after the first day of lottery ticket  
89 sales.~~

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

92 24.108 Division of Security; duties; security report.—

93 (6) The division shall monitor ticket validation and  
94 lottery drawings where ball machines are used to select winning  
95 numbers.

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

103 (b) The portion of the security report containing the  
104 overall evaluation of the department in terms of each aspect of  
105 security must ~~shall~~ be presented to the Governor, the President  
106 of the Senate, and the Speaker of the House of Representatives.  
107 The portion of the security report containing specific  
108 recommendations is ~~shall~~ be confidential and must ~~shall~~ be  
109 presented only to the secretary, the Governor, and the Auditor  
110 General; however, upon certification that such information is  
111 necessary for the purpose of effecting legislative changes, such  
112 information must ~~shall~~ be disclosed to the President of the  
113 Senate and the Speaker of the House of Representatives, who may  
114 disclose such information to members of the Legislature and  
115 legislative staff as necessary to effect such purpose. However,  
116 any person who receives a copy of such information or other

580-02243-26

2026530c1

117 information which is confidential pursuant to this act or rule  
118 of the department shall maintain its confidentiality. The  
119 confidential portion of the report is exempt from ~~the provisions~~  
120 of s. 119.07(1) and s. 24(a), Art. I of the State Constitution.

121 ~~(e) Thereafter, similar studies of security shall be~~  
122 ~~conducted as the department deems appropriate but at least once~~  
123 ~~every 2 years.~~

124 Section 4. Subsection (2) of section 24.111, Florida  
125 Statutes, is amended to read:

126 24.111 Vendors; disclosure and contract requirements.—

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

136 (a) A disclosure of the vendor's name and address and, as  
137 applicable, the name and address and any additional disclosures  
138 necessary for an investigation of the financial responsibility,  
139 security, and integrity of the following:

140 1. If the vendor is a corporation, the officers, directors,  
141 and each stockholder in such corporation; except that, in the  
142 case of owners of equity securities of a publicly traded  
143 corporation, only the names and addresses of those known to the  
144 corporation to own beneficially 5 percent or more of such  
145 securities need be disclosed.

580-02243-26

2026530c1

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

148        3. If the vendor is an association, the members, officers,  
149        and directors.

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

152  
153        If the vendor subcontracts any substantial portion of the work  
154        to be performed to a subcontractor, the vendor must ~~shall~~  
155        disclose all of the information required by this paragraph for  
156        the subcontractor as if the subcontractor were itself a vendor.

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

160        (c) A disclosure of all the states and jurisdictions in  
161        which the vendor has contracts to supply gaming goods or  
162        services, including, but not limited to, lottery goods and  
163        services, and of the nature of the goods or services involved  
164        for each such state or jurisdiction.

165        (d) A disclosure of all the states and jurisdictions in  
166        which the vendor has applied for, has sought renewal of, has  
167        received, has been denied, has pending, or has had revoked a  
168        gaming license or contract of any kind and of the disposition of  
169        such in each such state or jurisdiction. If any gaming license  
170        or contract has been revoked or has not been renewed or any  
171        gaming license or contract application has been either denied or  
172        is pending and has remained pending for more than 6 months, all  
173        of the facts and circumstances underlying this failure to  
174        receive such a license must be disclosed.

580-02243-26

2026530c1

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

178 (f) A disclosure of the details of any bankruptcy,  
179 insolvency, reorganization, or any pending litigation of the  
180 vendor.

184 (h) The department shall lease all vending machines that  
185 dispense online lottery tickets, instant lottery tickets, or  
186 both online and instant lottery tickets.

187 (i) The department will require a performance bond for the  
188 duration of the contract.

The department may shall not contract with any vendor who fails to make the disclosures required by this subsection, and any contract with a vendor who has failed to make the required disclosures is shall be unenforceable. Any contract with any 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.

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

580-02243-26

2026530c1

204        24.112 Retailers of lottery tickets; authorization of  
205 vending machines to dispense lottery tickets.—

206        (9) (a) The department may require every retailer to post an  
207 appropriate bond as determined by the department, using an  
208 insurance company acceptable to the department, in an amount not  
209 to exceed three times ~~twice~~ the average lottery ticket sales of  
210 the retailer for the period within which the retailer is  
211 required to remit lottery funds to the department. For the first  
212 90 days of sales of a new retailer, the amount of the bond may  
213 not exceed three times ~~twice~~ the average estimated lottery  
214 ticket sales for the period within which the retailer is  
215 required to remit lottery funds to the department. This  
216 paragraph does ~~shall~~ not apply to lottery tickets which are  
217 prepaid by the retailer.

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

220        1. Purchase blanket bonds covering all or selected  
221 retailers.

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

230        a.1. Certificates of deposit issued by solvent banks or  
231 savings associations organized and existing under the laws of  
232 this state or under the laws of the United States and having

580-02243-26

2026530c1

233 their principal place of business in this state.

234 b.2. United States bonds, notes, and bills for which the  
235 full faith and credit of the government of the United States is  
236 pledged for the payment of principal and interest.

237 c.3. General obligation bonds and notes of any political  
238 subdivision of the state.

239 d.4. Corporate bonds of any corporation that is not an  
240 affiliate or subsidiary of the depositor.

241 3. Allow a retailer to remit funds to the department for  
242 deposit in an interest-bearing bank account held by the  
243 department.

244  
245 Such securities must ~~shall~~ be held in trust and ~~shall~~ have at  
246 all times a market value at least equal to an amount required by  
247 the department.

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

251 (a) The vending machine must:

252 1. Dispense a lottery ticket following receipt of payment  
253 after a purchaser inserts a coin or currency in the machine;—

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

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

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

260 24.116 Unlawful purchase of lottery tickets; penalty.—

261 (2) An ~~No~~ officer or employee of the department or any

580-02243-26

2026530c1

262 relative living in the same household with such officer or  
263 employee may not purchase a lottery ticket. Sworn law  
264 enforcement officers employed by the Division of Security may  
265 purchase lottery tickets and present lottery tickets to a  
266 lottery retailer to claim a prize when such purchase or  
267 presentation of lottery tickets is necessary for the performance  
268 of the officers' official duties, including, but not limited to,  
269 compliance operations and investigations.

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

273 24.118 Other prohibited acts; penalties.—

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

275 (a) Knowingly presents a counterfeit or altered state  
276 lottery ticket;  
277 (b) Knowingly transfers a counterfeit or altered state  
278 lottery ticket to another to present for payment; or  
279 (c) With intent to defraud, falsely makes, alters, forges,  
280 passes, or counterfeits a state lottery ticket; or

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

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

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

580-02243-26

2026530c1

291       (a) Falsify or conceal a material fact;  
292       (b) Make a false, fictitious, or fraudulent statement or  
293 representation relating to a material fact; or  
294       (c) Make or use any false document, knowing the document  
295 contains a false, fictitious, or fraudulent statement or entry  
296 relating to a material fact.

297

298       A person who violates this subsection commits a felony of the  
299 third degree, punishable as provided in s. 775.082, s. 775.083,  
300 or s. 775.084.

301       (6) THEFT OF LOTTERY TICKET BY RETAILER.-

302       (a) A lottery retailer or an employee thereof may not use  
303 his or her position to knowingly facilitate, participate in, or  
304 otherwise assist in the theft of any lottery ticket from the  
305 retail establishment or from a patron or customer of the retail  
306 establishment.

307       (b) A person who violates paragraph (a) commits a felony of  
308 the third degree, punishable as provided in s. 775.082, s.  
309 775.083, or s. 775.084.

310       (c) As used in this subsection, the terms "patron" and  
311 "customer" include a sworn law enforcement officer of the  
312 Division of Security presenting a lottery ticket to a lottery  
313 retailer to claim a prize during the performance of the law  
314 enforcement officer's official duties.

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