

Bill No. CS for CS for SB 2434

Barcode 594976 Comm: RCS 04/27/2007 12:26 PM

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Proposed Committee Substitute by the Committee on General
Government Appropriations

1 A bill to be entitled

2 An act relating to video lotteries; amending s.

3 24.103, F.S.; providing definitions; amending

4 s. 24.105, F.S.; providing powers and duties of

5 the Department of the Lottery pertaining to

6 video lottery games; creating s. 24.125, F.S.;

7 providing for the adoption of rules; creating

8 s. 24.126, F.S.; prohibiting certain persons

9 from playing video lottery games; creating s.

10 24.127, F.S.; providing requirements for the

11 operation of video lottery games; providing for

12 fines and orders of suspension; providing a

13 payout percentage; providing for a license fee;

14 providing for the distribution of income;

15 providing for weekly allocations; providing

16 penalties; creating s. 24.128, F.S.; providing

17 for the licensure of video lottery terminal

18 vendors; providing for emergency rules;

19 creating s. 24.129, F.S.; prohibiting certain

20 local zoning ordinances; creating s. 24.130,

21 F.S.; providing requirements for video lottery

22 terminals; creating s. 24.131, F.S.; requiring

23 video lottery terminal vendors to establish

24 training programs for employees who service

25 such terminals; requiring departmental approval

26 of such programs; providing certification

27 requirements for such employees; providing for

28 the adoption of rules; creating s. 24.132,

29 F.S.; requiring video lottery retailers to

30 execute certain agreements governing the

31 payment of purses and special thoroughbred

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1 racing awards; requiring the remittance of
2 funds pursuant to such agreements; authorizing
3 the department to sanction certain breeders;
4 prohibiting the operation of video lottery
5 games in the absence of agreements; requiring
6 arbitration if agreements are not in place;
7 requiring the video lottery retailer to make
8 certain payments for the promotion of the
9 racing industry; creating s. 24.133, F.S.;

10 requiring operators of facilities where video
11 lottery games are conducted to post certain
12 signs regarding compulsive gambling; creating
13 s. 24.134, F.S.; providing compulsive gambling
14 programs; creating s. 24.136, F.S.; authorizing
15 a caterer's license for video lottery
16 retailers; creating s. 24.137, F.S.;

17 prohibiting video lottery retailers from
18 engaging in certain activities; creating s.
19 24.138, F.S.; providing for the exclusion of
20 certain persons from a retailer's premises;
21 creating s. 24.139, F.S.; requiring retailers
22 to provide office space for department
23 employees; amending s. 212.02, F.S.; excluding
24 video lottery terminals from the definition of
25 the term "coin-operated amusement machine" for
26 purposes of the sales and use tax; providing an
27 appropriation and authorizing additional
28 positions; providing an effective date.

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

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1 Section 1. Subsections (7), (8), (9), (10), and (11)
 2 are added to section 24.103, Florida Statutes, to read:

3 24.103 Definitions.--As used in this act:

4 (7) "Video lottery game" means an electronically
 5 simulated game involving any element of chance, skill, or
 6 both, played on a video lottery terminal that, upon insertion
 7 of currency, coins, tokens, credits, vouchers, or anything of
 8 value, is available to play or simulate a lottery-type game.
 9 The games include, but are not limited to, lineup games,
 10 traditional card games, poker, and progressive games where the
 11 jackpot grows and accumulates as it is being played in a video
 12 lottery terminal, or network of video lottery terminals, using
 13 a cathode ray tube, video display screen, microprocessors, or
 14 other similar technology available now or in the future, as
 15 approved by the department. A player may receive a payoff in
 16 the form of currency, coins, tokens, credits, vouchers, or
 17 anything of value, automatically or in some other manner.

18 (8) "Video lottery terminal" means a machine or
 19 device, including associated equipment that is required to
 20 operate the machine or device upon which a video lottery game
 21 is played or operated. A video lottery terminal may use
 22 spinning reels or video displays or other similar technology
 23 available now or in the future, as approved by the department.
 24 A video lottery terminal is not a coin-operated amusement
 25 machine as defined in s. 212.02(24) and does not include an
 26 amusement game or machine as described in s. 849.161.

27 (9) "Video lottery terminal vendor" means any person
 28 licensed by the department who is in the business of selling,
 29 leasing, servicing, repairing, or upgrading video lottery
 30 terminals for video lottery retailers or who provides to the
 31 department or to a video lottery retailer computer equipment,

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1 software, or other functions related to video lottery
2 terminals.

3 (10) "Net terminal income" means currency and other
4 consideration placed into a video lottery terminal, less
5 payouts to or credits redeemed by players.

6 (11) "Video lottery retailer" means a pari-mutuel
7 permitholder under chapter 550 who is conducting a full
8 schedule of live races or games, as described in ss.
9 550.002(11) and 550.475 as of October 1, 2007, or a person who
10 is authorized to receive broadcasts of horse races under s.
11 550.6308.

12 Section 2. Subsections (21), (22), (23), (24), (25),
13 (26), and (27) are added to section 24.105, Florida Statutes,
14 to read:

15 24.105 Powers and duties of department.--The
16 department shall:

17 (21) Have the capacity to support video lottery games
18 at facilities of video lottery retailers by January 1, 2008.

19 (22) Hear and decide promptly and in reasonable order
20 all video-lottery-related license applications and enforcement
21 proceedings for suspension or revocation of licenses.

22 (23) Collect and disburse video lottery revenue due
23 the department as described in this chapter.

24 (24) Certify net terminal income of video lottery
25 retailers by inspecting records, conducting audits, or any
26 other reasonable means.

27 (25) Maintain a list of licensed video lottery
28 terminal vendors and a current list of all contracts between
29 video lottery terminal vendors and video lottery retailers.

30 (26) Approve an application for a video lottery
31 retailer within 90 days after receipt of the application. A

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1 person meets all qualifications of licensure under this
 2 section if the person has been licensed under chapter 550 and
 3 meets the definition of a video lottery retailer under s.
 4 24.103(11).

5 (27) Adopt procedures by rule for scientifically
 6 testing and technically evaluating video lottery terminals for
 7 compliance with this chapter. The department may contract with
 8 an independent testing laboratory to scientifically test and
 9 technically evaluate video lottery games, video lottery
 10 terminals, and video lottery operating systems for compliance
 11 with this chapter. The independent testing laboratory must
 12 have a national reputation as demonstrably competent and
 13 qualified to scientifically test and evaluate all components
 14 of a video lottery gaming system and to otherwise perform all
 15 functions assigned to it under this chapter. The laboratory
 16 may not be owned or controlled by a video lottery terminal
 17 vendor or video lottery terminal retailer. The selection of an
 18 independent testing laboratory shall be made from a list of
 19 one or more laboratories approved and licensed by the
 20 department.

21 Section 3. Section 24.125, Florida Statutes, is
 22 created to read:

23 24.125 Rules authorized.--

24 (1) The department may adopt rules similar to rules
 25 adopted under chapter 551, relating to:

26 (a) The regulation of video lottery retailers, video
 27 lottery terminal vendors, video lottery games, and video
 28 lottery products.

29 (b) Specifications for approving and authorizing video
 30 lottery terminals in order to maintain the integrity of video
 31 lottery games and terminals. The specifications may not limit

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1 the number of video lottery terminal vendors who supply
2 terminals to fewer than four.

3 (c) Hearing and approving or disapproving video
4 lottery-related license applications, and enforcement
5 procedures related to suspension and revocation of licenses.

6 (d) The collection and disbursement of video lottery
7 revenue.

8 (e) The certification of net terminal income of video
9 lottery retailers.

10 (2) Initial rules to permit the operation of video
11 lotteries and the licensing of video lottery vendors shall be
12 adopted by January 1, 2008. The department may adopt emergency
13 rules under ss. 120.536(1) and 120.54(4) to implement this
14 section.

15 Section 4. Section 24.126, Florida Statutes, is
16 created to read:

17 24.126 Video lottery; minimum age.--

18 (1) A person who is younger than 21 years of age may
19 not play a video lottery game.

20 (2) Each video lottery retailer shall post a clear and
21 conspicuous sign on all video lottery terminals which states:

22
23 THE USE OF A VIDEO LOTTERY TERMINAL BY PERSONS

24 UNDER THE AGE OF 21 IS AGAINST FLORIDA LAW.

25 PROOF OF AGE IS REQUIRED FOR USE.

26
27 (3) Any person who violates this section commits a
28 misdemeanor of the second degree, punishable as provided in s.
29 775.082 or s. 775.083.

30 Section 5. Section 24.127, Florida Statutes, is
31 created to read:

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1 24.127 Video lottery games.--

2 (1) Video lottery games may be offered by a video
3 lottery retailer only at the pari-mutuel facility at which the
4 video lottery retailer is licensed to conduct pari-mutuel
5 wagering between July 1, 2007, and June 30, 2008, or at its
6 relocated licensed pari-mutuel facility if the relocation of
7 such facility has been approved by the Division of Pari-mutuel
8 Wagering pursuant to s. 550.0555. During any calendar year in
9 which a video lottery retailer maintains video lottery
10 terminals, the retailer must be licensed to conduct a full
11 schedule of live racing or games, as defined in s.
12 550.002(11), including the conduct of races or games under s.
13 550.475, or be authorized to receive broadcasts of horse races
14 under s. 550.6308. The department shall waive such
15 requirements upon a showing that the failure to conduct races
16 or games resulted from a natural disaster, strike, or other
17 acts beyond the control of the permitholder, including legal
18 restrictions or prohibitions placed on the permitholder's
19 activities. If the retailer does not comply with the
20 requirement to conduct a full schedule of races or games for
21 any other reason, the department shall order the retailer to
22 suspend its video lottery operation. The department may assess
23 an administrative fine, not to exceed \$5,000 per video lottery
24 terminal per day, against any retailer who does not suspend
25 its video lottery operation when ordered to do so by the
26 department. The department may enforce a suspension order or
27 administrative fine as provided in s. 120.69. Each video
28 lottery retailer shall post a bond payable to the state in an
29 amount determined by the department as sufficient to guarantee
30 the payment of revenue due in any payment period. The initial
31 bond prior to commencement of operations by the video lottery

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1 retailer shall be \$2 million, issued by a surety approved by
2 the department, conditioned to make the payments to the
3 department. The bond shall be separate from the bond required
4 by s. 550.125.

5 (2) Each video lottery terminal retailer shall
6 determine the following pertaining to the video lottery
7 terminals located on its premises:

8 (a) Number of video lottery terminals, not to exceed
9 1,500 at any pari-mutuel facility;

10 (b) Dates and hours during which the video lottery
11 terminals are available for play, not to exceed 16 hours a
12 day, except that the hours of operation may be extended by
13 majority vote of the governing body of the municipality where
14 the retailer is located or the governing body of the county if
15 the retailer is not located in a municipality;

16 (c) Mix of games available for play on video lottery
17 terminals;

18 (d) Use of currency, coins, tokens, vouchers,
19 electronic credits, or anything of value;

20 (e) Location and movement of video lottery terminals
21 on the premises;

22 (f) Staffing of video lottery terminal operations on
23 the premises; and

24 (g) Minimum and maximum betting amounts and the
25 payout, based upon a suitable range, as determined by the
26 video lottery retailer, with a minimum of 85 percent of the
27 amount of currency, credits, vouchers, or anything of value
28 put into a video lottery terminal.

29 (3) Each video lottery terminal retailer shall notify
30 the department before commencing the initial operation of
31 video lottery games.

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- 1 (4) To facilitate the auditing and security programs
2 that are critical to the integrity of the video lottery
3 system, the department shall have overall control of the
4 entire system. Each video lottery terminal shall be linked,
5 directly or indirectly, to a computer system operated by the
6 department or by a vendor contracting with the department.
- 7 (5) Video lottery games may be played at an authorized
8 video lottery retailer's facility regardless of whether the
9 retailer is conducting a pari-mutuel event.
- 10 (6) Upon submission of the initial application for a
11 video lottery retailer license and annually thereafter on the
12 anniversary date of the issuance of the initial license, the
13 licensee must pay a nonrefundable license fee of \$3 million to
14 the department. The license fee shall be deposited into the
15 Operating Trust Fund of the Department of Lottery to be used
16 by the department to administer this act.
- 17 (7) Income derived from video lottery operations is
18 not subject to s. 24.121. The allocation of net terminal
19 income derived from video lottery games shall be as follows:
- 20 (a) Fifty percent shall be remitted to the Operating
21 Trust Fund for transfer to the Education Enhancement Trust
22 Fund.
- 23 (b) Fifty-hundredths percent shall be paid by the
24 video lottery retailer to the department to administer and
25 regulate the operation of video lottery terminals. Funds in
26 excess of the department's administrative costs shall be
27 transferred to the Educational Enhancement Trust Fund.
- 28 (8) The allocation provided in subsection (7) shall be
29 made weekly. Amounts allocated shall be remitted to the
30 department by electronic transfer within 24 hours after the
31 allocation is determined.

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1 (9) Any person who intentionally manipulates or
 2 attempts to manipulate the outcome, payoff, or operation of a
 3 video lottery terminal by physical or electronic tampering or
 4 other means commits a felony of the third degree, punishable
 5 as provided in s. 775.082, s. 775.083, or s. 775.084.

6 (10) Notwithstanding s. 24.115, each video lottery
 7 retailer is responsible for payment of video lottery prizes.

8 (11) In the area or room in a facility in which a
 9 video lottery terminal is placed, the video lottery retailer
 10 shall also place video monitors displaying live races or games
 11 being conducted in that facility. If live races or games are
 12 not being conducted, any simulcast races or games that are
 13 otherwise displayed in the facility shall be displayed. In
 14 each area or room, the retailer shall also provide a means for
 15 patrons to wager on pari-mutuel activity.

16 Section 6. Section 24.128, Florida Statutes, is
 17 created to read:

18 24.128 Licensure of video lottery terminal
 19 vendors.--Video lottery terminal vendors shall be licensed by
 20 the department by October 1, 2007. The department may adopt
 21 emergency rules under ss. 120.536(1) and 120.54(4) to
 22 implement this section. The department may not license a
 23 person as a video lottery terminal vendor who has an interest
 24 in a video lottery retailer or a business relationship with a
 25 video lottery retailer other than as a vendor or lessor of
 26 video lottery terminals.

27 Section 7. Section 24.129, Florida Statutes, is
 28 created to read:

29 24.129 Local zoning of pari-mutuel facilities.--The
 30 installation, operation, or use of a video lottery on any
 31 property where pari-mutuel operations were or would have been

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1 lawful under any county or municipal zoning ordinance on July
 2 1, 2006, does not change the character of the use of such
 3 property. Such use is lawful and consistent with pari-mutuel
 4 operations, and such use or the expansion or construction of
 5 facilities to accommodate video lottery terminals on the
 6 property is not subject to review or approval under land use,
 7 zoning, or site plan review, or concurrency law, ordinance, or
 8 regulation by any governmental entity.

9 Section 8. Section 24.130, Florida Statutes, is
 10 created to read:

11 24.130 Video lottery terminals.--

12 (1) Video lottery terminals may not be offered for use
 13 or play in this state unless approved by the department.

14 (2) Each video lottery terminal approved for use in
 15 this state must:

16 (a) Be protected against manipulation to affect the
 17 random probabilities of winning plays.

18 (b) Have one or more mechanisms that accept currency,
 19 coins, tokens, vouchers, or anything of value in exchange for
 20 game credits. Such mechanisms must be designed to prevent
 21 players from obtaining currency, coins, tokens, vouchers, or
 22 anything of value, or from obtaining game credits, by physical
 23 tampering.

24 (c) Be capable of suspending play until reset at the
 25 direction of the department as a result of physical tampering.

26 (d) Be capable of being linked to a central computer
 27 communications system to audit the operation, financial data,
 28 and program information, as required by the department.

29 Section 9. Section 24.131, Florida Statutes, is
 30 created to read:

31 24.131 Video lottery terminal training program.--

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1 (1) Each licensed video lottery terminal vendor shall
 2 submit a training program for the service and maintenance of
 3 terminals and equipment for approval by the department. The
 4 training program must include an outline of the training
 5 curriculum; a list of instructors and their qualifications; a
 6 copy of the instructional materials; and the dates, times, and
 7 location of training classes. A service and maintenance
 8 program may not be held unless approved by the department.

9 (2) Each video lottery terminal service employee must
 10 complete the requirements of the manufacturer's training
 11 program before performing service, maintenance, or repairs on
 12 video lottery terminals or associated equipment. Upon the
 13 successful completion of the training program by an employee,
 14 the department shall issue a certificate authorizing the
 15 employee to service, maintain, and repair video lottery
 16 terminals and associated equipment. A certificate of
 17 completion may not be issued to a person until the department
 18 determines that such person has completed the required
 19 training. Before being certified as a video lottery terminal
 20 service employee, a person must pass a background
 21 investigation conducted by the department. The department may
 22 revoke certification upon finding that a person is in
 23 violation of this chapter or department rule.

24 (3) The department may adopt rules regarding the
 25 training, qualifications, and certification of video lottery
 26 terminal service employees.

27 Section 10. Section 24.132, Florida Statutes, is
 28 created to read:

29 24.132 Video lottery retailer; agreements required.--

30 (1) A video lottery retailer who holds a permit under
 31 chapter 550 to conduct pari-mutuel wagering meets of

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1 thoroughbred racing may not conduct video lottery games unless
2 the retailer has on file with the division a binding written
3 agreement governing the payment of purses on live thoroughbred
4 racers conducted at the retailer's pari-mutuel facility between
5 the retailer and the association representing a majority of
6 the thoroughbred racehorse owners and trainers at that
7 location. In addition, a video lottery retailer may not
8 conduct video lottery games unless it has on file with the
9 department a binding written agreement between it and the
10 Florida Thoroughbred Breeders' Association, Inc., governing
11 the payment of breeders', stallion, and special racing awards
12 on live thoroughbred races conducted at the retailer's
13 pari-mutuel facility.

14 (a) The agreement governing purses and the agreement
15 governing awards may direct the payment of such purses and
16 awards from revenues generated by any wagering or gaming that
17 the applicant is authorized to conduct.

18 (b) All purses and awards are subject to chapter 550.
19 All sums for breeders', stallion, and special racing awards
20 shall be remitted monthly to the Florida Thoroughbred
21 Breeders' Association, Inc., for the payment of awards subject
22 to the administrative fee authorized in s. 550.2625(3).

23 (2) The department shall prohibit the operation of
24 video lottery games at a retailer's premises if an agreement
25 required under subsection (1) is terminated or otherwise
26 ceases to operate or if the department determines that the
27 retailer has materially failed to comply with the terms of an
28 agreement.

29 (3) If an agreement required under subsection (1) is
30 not in place, either party may request the American
31 Arbitration Association to furnish a list of 11 arbitrators,

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1 each of whom shall have at least 5 years of commercial
 2 arbitration experience and no financial interest in or prior
 3 relationship with any of the parties or their affiliated or
 4 related entities or principals. Each party to the agreement
 5 shall select a single arbitrator from the list provided within
 6 10 days after receipt of the list and the arbitrators selected
 7 shall choose one additional arbitrator from the same list
 8 within the next 10 days.

9 (a) If an agreement is not in place 60 days after the
 10 request for a list of arbitrators, the matter shall be
 11 immediately submitted for mandatory binding arbitration to
 12 resolve the disagreement between the parties. The three
 13 arbitrators selected shall constitute the panel that will
 14 arbitrate the dispute between the parties pursuant to the
 15 American Arbitration Association Commercial Arbitration Rules
 16 and chapter 682.

17 (b) At the conclusion of the proceedings, which must
 18 be within 90 days after requesting the list of arbitrators,
 19 the arbitration panel shall present a proposed agreement to
 20 the parties which the majority of the panel believes equitably
 21 balances the rights, interests, obligations, and reasonable
 22 expectations of the parties. The parties shall immediately
 23 enter into such agreement, which shall satisfy the
 24 requirements of subsection (1) and permit the conduct of video
 25 lottery games by the video lottery retailer. The agreement is
 26 effective until the last day of the license or renewal period
 27 or until the parties enter into a different agreement. Each
 28 party shall pay its respective costs of arbitration and
 29 one-half of the costs of the arbitration panel unless the
 30 parties have agreed otherwise. If the agreement remains in
 31 place 120 days before the scheduled issuance of the next

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1 annual license renewal, the arbitration process established in
2 this subsection shall begin again.

3 (c) If neither of the agreements required under
4 subsection (1) are in place, arbitration shall proceed
5 independently with separate lists of arbitrators, arbitration
6 panels, arbitration proceedings, and resulting agreements.

7 (d) Arbitration and the resulting agreement governing
8 the payment of purses under subsection (1) shall be limited to
9 the payment of purses from net terminal income only.

10 (4) A video lottery retailer who holds a limited
11 intertrack wagering license pursuant to s. 550.6308 shall make
12 the following payments for the promotion and welfare of the
13 thoroughbred racing industry:

14 (a) An amount equal to 12.5 of the net terminal income
15 shall be paid to thoroughbred pari-mutuel permitholders that
16 are licensed to conduct live races for purses. If more than
17 one permitholder is licensed to conduct live races during the
18 state thoroughbred racing season, the video lottery retailer
19 shall allocate these funds between the operating permitholders
20 on a pro rata basis based on the total live handle generated
21 during the previous racing season at the operating
22 permitholders' facilities. An amount equal to 7.5 percent of
23 the purse account generated under this paragraph shall be used
24 for Florida Owners' Awards pursuant to an agreement executed
25 by the permitholder, the Florida Thoroughbred Breeders'
26 Association, and the association representing a majority of
27 the thoroughbred racehorse owners and trainers at the
28 permitholder's facility. If an agreement is not reached 60
29 days before the commencement of the permitholder's racing
30 meet, the funds shall be used for overnight purses.

31 (b) An amount equal to 1.25 percent of the net

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1 terminal income shall be paid for breeders', stallion, or
 2 special racing awards. The Florida Thoroughbred Breeders'
 3 Association may receive these payments from the video lottery
 4 retailer and make payments of awards earned. The Florida
 5 Thoroughbred Breeders' Association may withhold up to 10
 6 percent of the permitholder's payments under this paragraph as
 7 a fee for administering the payments of awards and for the
 8 general promotion of the industry. The video lottery retailer
 9 shall make weekly payments to the permitholders and to the
 10 Florida Thoroughbred Breeders' Association at the same time it
 11 remits its allocation to the department.

12 Section 11. Section 24.133, Florida Statutes, is
 13 created to read:

14 24.133 Notice of availability of assistance for
 15 compulsive gambling required.--

16 (1) The owner of each facility at which video lottery
 17 games are conducted shall post signs that display the
 18 following statement:

19
 20 "IF YOU OR SOMEONE YOU KNOW HAS A GAMBLING
 21 PROBLEM, HELP IS AVAILABLE, CALL
 22 1-800-426-7711."

23
 24 The department may approve additional toll-free numbers to
 25 ensure compliance with this section. The signs must be posted
 26 within 50 feet of each entrance.

27 Section 12. Section 24.134, Florida Statutes, is
 28 created to read:

29 24.134 Compulsive gambling program.--

30 (1) The video lottery retailer shall offer training to
 31 employees on responsible gaming and shall work with a

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1 compulsive gambling prevention program to recognize problem
 2 gaming situations and to implement responsible gaming programs
 3 and practices.

4 (2) The department shall, subject to competitive
 5 bidding, contract for the provision of services related to the
 6 prevention of compulsive gambling. The contract shall provide
 7 for an advertising program to encourage responsible gaming
 8 practices and to publicize a gambling telephone help line.
 9 Such advertisements must be made both publicly and inside the
 10 gaming areas of the video lottery retailers' facilities. The
 11 terms of any contract for the provision of such services shall
 12 include accountability standards that must be met by any
 13 private provider. The failure of any private provider to meet
 14 any material terms of the contract, including the
 15 accountability standards, shall constitute a breach of
 16 contract or grounds for nonrenewal.

17 Section 13. Section 24.136, Florida Statutes, is
 18 created to read:

19 24.136 Licensure of video lottery retailer.--A video
 20 lottery retailer is entitled to a caterer's license pursuant
 21 to s. 565.02 on days in which the pari-mutuel facility is open
 22 to the public for video lottery play as authorized by this
 23 chapter.

24 Section 14. Section 24.137, Florida Statutes, is
 25 created to read:

26 24.137 Other prohibited activities.--

27 (1) Complimentary or reduced-cost alcoholic beverages
 28 may not be served to a person playing a video lottery
 29 terminal. Alcoholic beverages served to a person playing a
 30 video lottery terminal shall cost at least the same amount as
 31 alcoholic beverages served to the general public at a bar

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1 within the facility.

2 (2) A video lottery retailer may not allow any
3 automated teller machine or similar device that provides
4 credit or dispenses cash in the area where video lottery
5 terminal gaming may be conducted pursuant to this chapter nor
6 may such retailer make loans, provide credit, or advance cash
7 to enable a person to play a video lottery terminal. However,
8 automated ticket redemption machines that dispense cash for
9 the redemption of tickets may be located in such areas.

10 (3) A video lottery retailer may not accept or cash
11 any personal, third-party, corporate, business, or
12 government-issued check from any person.

13 (4) A video lottery terminal located within a video
14 lottery retailer's facility shall accept only tickets or paper
15 currency or an electronic payment system for wagering, and
16 return or deliver payouts to the player in the form of tickets
17 that may be exchanged for cash, merchandise, or other items of
18 value. The use of coins, credit or debit cards, tokens, or
19 similar objects is prohibited. However, an electronic credit
20 system may be used for receiving wagers and making payouts.

21 Section 15. Section 24.138, Florida Statutes, is
22 created to read:

23 24.138 Exclusions of certain persons.--In addition to
24 the power to exclude certain persons from any facility of a
25 video lottery terminal retailer in this state, the department
26 may exclude any person for conduct that would constitute, if
27 the person were a licensee, a violation of this chapter,
28 chapter 550 or chapter 551, or a department rule. The
29 department may exclude from any facility of a video lottery
30 terminal retailer any person who has been ejected from a
31 facility of a video lottery retailer or slot machine licensee

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1 in this or any other state by the governmental department,
 2 agency, commission or authority that regulates gaming in that
 3 state. This section does not abrogate the common law right of
 4 a video lottery terminal retailer to exclude a patron
 5 absolutely in this state.

6 Section 16. Section 24.139, Florida Statutes, is
 7 created to read:

8 24.139 Department office space.--A video lottery
 9 terminal retailer shall provide adequate office space at no
 10 cost to the department for the oversight of video lottery
 11 terminal operations. The department shall adopt rules
 12 establishing the criteria for adequate space, configuration,
 13 and needed electronic and technological requirements for
 14 office space required by this section.

15 Section 17. Subsection (24) of section 212.02, Florida
 16 Statutes, is amended to read:

17 212.02 Definitions.--The following terms and phrases
 18 when used in this chapter have the meanings ascribed to them
 19 in this section, except where the context clearly indicates a
 20 different meaning:

21 (24) "Coin-operated amusement machine" means any
 22 machine operated by coin, slug, token, coupon, or similar
 23 device for the purposes of entertainment or amusement. The
 24 term includes, but is not limited to, coin-operated pinball
 25 machines, music machines, juke boxes, mechanical games, video
 26 games, arcade games, billiard tables, moving picture viewers,
 27 shooting galleries, and all other similar amusement devices.
 28 The term does not include a video lottery terminal operated
 29 pursuant to chapter 24.

30 Section 18. For the 2007-2008 fiscal year, the sum of
 31 \$10 million in recurring funds is appropriated from the

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1 Operating Trust Fund in the Department of Lottery and 24
2 full-time equivalent positions and associated salary rate of
3 1,276,000 is authorized to implement the provisions of this
4 act.

5 Section 19. This act shall take effect upon becoming a
6 law.

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