



287734

LEGISLATIVE ACTION

Senate	.	House
Comm: RCS	.	
04/19/2010	.	
	.	
	.	
	.	

The Committee on Criminal Justice (Dean) recommended the following:

Senate Amendment (with title amendment)

Delete everything after the enacting clause and insert:

Section 1. Paragraph (a) of subsection (9) of section 24.105, Florida Statutes, is amended to read:

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

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

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

1. No name of an elected official shall appear on the



287734

13 ticket or play slip of any lottery game or on any prize or on
14 any instrument used for the payment of prizes, unless such prize
15 is in the form of a state warrant.

16 2. No coins or currency shall be dispensed from any
17 electronic computer terminal or device used in any lottery game.

18 3. Other than as provided in subparagraph 4., no terminal
19 or device may be used for any lottery game which may be operated
20 solely by the player without the assistance of the retailer.

21 4. Only the three types of ~~The only~~ player-activated
22 machines described in this subparagraph ~~which~~ may be utilized.
23 ~~is a machine which dispenses instant lottery game tickets~~
24 ~~following the insertion of a coin or currency by a ticket~~
25 ~~purchaser.~~ To be authorized a machine must: be under the
26 supervision and within the direct line of sight of the lottery
27 retailer to ensure that the machine is monitored and only
28 operated by persons at least 18 years of age; and be capable of
29 being electronically deactivated by the retailer to prohibit use
30 by persons less than 18 years of age through the use of a
31 lockout device that maintains the machine's deactivation for a
32 period of no less than 5 minutes; ~~and be designed to prevent its~~
33 ~~use or conversion for use in any manner other than the~~
34 ~~dispensing of instant lottery tickets.~~ Authorized machines may
35 dispense change to players purchasing tickets but may not be
36 utilized for paying the holders of winning tickets of any kind.
37 At least one clerk must be on duty at the lottery retailer while
38 the machine is in operation. However, at least two clerks must
39 be on duty at any lottery location which has violated s.
40 24.1055. Not more than 10 machines may be installed at any
41 facility or location. In addition to the above requirements, the



287734

42 following requirements must also be satisfied:

43 i. A machine used to dispense pre-printed instant lottery
44 tickets, but the machine may not read or reveal the results of
45 the ticket, or allow a player to redeem any ticket. The machine,
46 or any machine or device linked to the machine, may not include
47 or make use of video reels or mechanical reels or other video
48 depictions of slot machine or casino game themes or titles for
49 game play. This does not preclude the use of casino game themes
50 or titles on such tickets or signage or advertising displays on
51 the machines;

52 ii. A machine used to dispense pre-determined electronic
53 instant lottery tickets that displays an image of the ticket on
54 a video screen, provided the player must touch the image of the
55 ticket on the screen to reveal the outcome of the ticket. The
56 machine may not permit a player to redeem winnings and may not
57 make use of video reels or mechanical reels or simulate the play
58 of any casino game. A retailer who utilizes such machines must
59 be paid the same amount as the retailer would be paid for the
60 sale of paper instant lottery tickets. However, no machine shall
61 be installed at any licensed pari-mutuel facility; and

62 iii. A machine used to dispense a paper lottery ticket with
63 numbers selected by the player or randomly by the machine. The
64 machine may not reveal the winning numbers to the player. The
65 winning numbers must be selected at a subsequent time and
66 different location through a drawing by the Florida Lottery. The
67 machine, or any machine or device linked to the machine, may not
68 include or make use of video reels or mechanical reels or other
69 video depictions of slot machine or casino-game themes or titles
70 for game play. The machine may not be used to redeem a winning



287734

71 ticket. These requirements do not preclude the use of casino
72 game themes or titles for signage or advertising on the machine.

73 Section 2. Paragraphs (a) and (h) of subsection (2) and
74 subsections (4) and (6) of section 24.111, Florida Statutes, are
75 amended to read:

76 24.111 Vendors; disclosure and contract requirements.—

77 (2) The department shall investigate the financial
78 responsibility, security, and integrity of each vendor with
79 which it intends to negotiate a contract for major procurement.
80 Such investigation may include an investigation of the financial
81 responsibility, security, and integrity of any or all persons
82 whose names and addresses are required to be disclosed pursuant
83 to paragraph (a). Any person who submits a bid, proposal, or
84 offer as part of a major procurement must, at the time of
85 submitting such bid, proposal, or offer, provide the following:

86 (a) A disclosure of the vendor's name and address and, as
87 applicable, the name and address and any additional disclosures
88 necessary for an investigation of the financial responsibility,
89 security, and integrity of the following:

90 1. If the vendor is a corporation, the officers, directors,
91 and each stockholder in such corporation; except that, in the
92 case of owners of equity securities of a publicly traded
93 corporation, only the names and addresses of those known to the
94 corporation to own beneficially 5 percent or more of such
95 securities need be disclosed.

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

98 3. If the vendor is an association, the members, officers,
99 and directors.



287734

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

102 5. If the vendor is a limited liability company, each
103 officer, director, member, manager, and managing member of the
104 company.

105 (h) The department may ~~shall~~ lease all instant ticket
106 vending machines.

107
108 If the vendor subcontracts any substantial portion of the work
109 to be performed to a subcontractor, the vendor shall disclose
110 all of the information required by this paragraph for the
111 subcontractor as if the subcontractor were itself a vendor.

112
113 The department shall not contract with any vendor who fails to
114 make the disclosures required by this subsection, and any
115 contract with a vendor who has failed to make the required
116 disclosures shall be unenforceable. Any contract with any vendor
117 who does not comply with such requirements for periodically
118 updating such disclosures during the tenure of such contract as
119 may be specified in such contract may be terminated by the
120 department. This subsection shall be construed broadly and
121 liberally to achieve the ends of full disclosure of all
122 information necessary to allow for a full and complete
123 evaluation by the department of the competence, integrity,
124 background, and character of vendors for major procurements.

125 (4) No contract for a major procurement with any vendor
126 shall be entered into if that vendor, or any of the vendor's
127 officers, directors, trustees, partners, managing members, or
128 joint venturers whose names and addresses are required to be



287734

129 disclosed pursuant to paragraph (2) (a), has been convicted of,
130 or entered a plea of guilty or nolo contendere to, a felony
131 committed in the preceding 10 years, regardless of adjudication,
132 unless the department determines that:

133 (a) The vendor or such individual has been pardoned or the
134 vendor's or such individual's civil rights have been restored;

135 (b) Subsequent to such conviction or entry of plea the
136 vendor or such individual has engaged in the kind of law-abiding
137 commerce and good citizenship that would reflect well upon the
138 integrity of the lottery; or

139 (c) If the vendor is not an individual, such vendor has
140 terminated its relationship with the individual whose actions
141 directly contributed to the vendor's conviction or entry of
142 plea.

143 ~~(6) Every contract in excess of \$25,000 entered into by the~~
144 ~~department pursuant to this section shall contain a provision~~
145 ~~for payment of liquidated damages to the department for any~~
146 ~~breach of contract by the vendor.~~ The department may require a
147 liquidated damages provision in any contract if the department
148 deems it necessary to protect the state's financial interest.

149 Section 3. Subsection (1) of section 24.113, Florida
150 Statutes, is amended to read:

151 24.113 Minority participation.—

152 (1) It is the intent of the Legislature that the department
153 encourage participation by minority business enterprises as
154 defined in s. 288.703. Accordingly, 15 percent of the retailers
155 shall be minority business enterprises as defined in s.

156 ~~288.703(2); however, no more than 35 percent of such retailers~~
157 ~~shall be owned by the same type of minority person, as defined~~



287734

158 ~~in s. 288.703(3)~~. The department is encouraged to meet the
159 minority business enterprise procurement goals set forth in s.
160 287.09451 in the procurement of commodities, contractual
161 services, construction, and architectural and engineering
162 services. This section shall not preclude or prohibit a minority
163 person from competing for any other retailing or vending
164 agreement awarded by the department.

165 Section 4. Section 24.114, Florida Statutes, is amended to
166 read:

167 24.114 Bank deposits and control of lottery transactions.-

168 (1) (a) All moneys received by each retailer from the
169 operation of the state lottery, including, but not limited to,
170 all ticket sales, interest, gifts, and donations, less the
171 amount retained as compensation for the sale of the tickets and
172 the amount paid out as prizes, shall be remitted to the
173 department or deposited in a qualified public depository, as
174 defined in s. 280.02, as directed by the department.

175 (b) The department shall have the responsibility for all
176 administrative functions related to the receipt of funds. The
177 department may ~~also~~ require:

178 1. Each retailer to file with the department reports of the
179 retailer's receipts and transactions in the sale of lottery
180 tickets in such form and containing such information as the
181 department may require.

182 2. ~~The department may require~~ Any person, including a
183 qualified public depository, to perform any function, activity,
184 or service in connection with the operation of the lottery as it
185 may deem advisable pursuant to this act and rules of the
186 department, and such functions, activities, or services shall



287734

187 constitute lawful functions, activities, and services of such
188 person.

189 ~~3.(2)~~ The department may require Retailers to establish
190 separate electronic funds transfer accounts for the purpose of
191 receiving moneys from ticket sales, making payments to the
192 department, and receiving payments from the department.

193 ~~(2)(3)~~ Each retailer is liable to the department for any
194 and all tickets accepted or generated by any employee or
195 representative of that retailer, and the tickets shall be deemed
196 to have been purchased by the retailer unless returned to the
197 department within the time and in the manner prescribed by the
198 department.

199 (3) All moneys received by retailers from the sale of
200 lottery tickets, less the amount retained as compensation for
201 the sale of tickets and the amount paid out as prizes by the
202 retailer, shall be held in trust prior to delivery to the
203 department or electronic transfer to the Operating Trust Fund.

204 (4) A retailer who fails to remit funds to the department
205 as required commits a misdemeanor of the first degree,
206 punishable as provided in s. 775.082, or s. 775.083.

207 Section 5. This act shall take effect July 1, 2010.

208

209

210 ===== T I T L E A M E N D M E N T =====

211 And the title is amended as follows:

212 Delete everything before the enacting clause
213 and insert:

214 A bill to be entitled

215 An act relating to the state lottery; amending s.



287734

216 24.105, F.S.; authorizing the use of player-activated
217 machines that have additional functionality; amending
218 s. 24.111, F.S.; adding limited liability companies to
219 the list of potential vendors that the Department of
220 the Lottery must investigate; providing that the
221 Department of Lottery may lease all instant ticket
222 vending machines; prohibiting the department from
223 entering into a contract for a major procurement if a
224 managing member of the vendor has been convicted of a
225 felony; removing a duplicative provision; amending s.
226 24.113, F.S.; removing a provision limiting the
227 percentage of the same type of minority retailer that
228 the Department of the Lottery may contract with to 35
229 percent; amending s. 24.114, F.S.; providing a penalty
230 for failure by a retailer to remit funds as required;
231 providing an effective date.