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584-02148B-14

	Proposed Committee Substitute by the Committee on Gaming
1	A bill to be entitled
2	An act relating to amusement machines; amending s.
3	849.161, F.S.; redefining terms; revising
4	applicability; clarifying provisions and making
5	technical changes; authorizing direct receipt of
6	merchandise under certain circumstances; specifying a
7	cap on the redemption value of points or coupons;
8	requiring the Department of Revenue to calculate
9	annually an adjusted cap; requiring the department to
10	publish the amount of the adjusted cap in a brochure
11	accessible from its website; providing an effective
12	date.
13	
14	Be It Enacted by the Legislature of the State of Florida:
15	
16	Section 1. Section 849.161, Florida Statutes, is amended to
17	read:
18	849.161 Amusement games or machines; when chapter
19	inapplicable
20	(1) As used in this section, the term:
21	(a) "Amusement games or machines" means games which are
22	operated only for bona fide entertainment of the general public,
23	which are activated which operate by means of the insertion of
24	<u>currency or</u> a coin, <u>card, coupon, slug, token, or similar</u>
25	<u>device,</u> and which <u>,</u> by application of skill <u>,</u> may entitle the
26	person playing or operating the game or machine <u>controls the</u>
27	outcome of the game to receive points or coupons, the cost value
28	of which does not exceed 75 cents on any game played, which may

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29 be exchanged for merchandise. The term does not include: 30 1. Casino-style games in which the outcome of the game is 31 determined by factors unpredictable by the player; or 32 2. Games in which the player does may not control the 33 outcome of the game through skill; 34 3. Video poker games or any other game or machine that may 35 be construed as a gambling device under the laws of this state; 36 or 37 4. Any game or device defined as a gambling device in 15 38 U.S.C. s. 1171, unless excluded under s. 1178. 39 (b) "Arcade amusement center" means a place of business 40 having at least 50 coin-operated amusement games or machines on premises which are operated for the entertainment of the general 41 42 public and tourists as a bona fide amusement facility. (c) "Game played" means the event occurring from the 43 44 initial activation of the amusement game or machine by the insertion of currency or a coin, card, coupon, slug, token, or 45 similar device, until the results of play are determined without 46 47 the insertion of additional currency or an additional coin, card, coupon, slug, token, or similar device, to continue play 48 49 payment of additional consideration. Free replays do not count 50 as separate games played constitute additional consideration. (d) "Merchandise" means noncash prizes, including toys and 51 52 novelties. The term does not include: 53 1. Cash equivalents or any equivalent thereof, including 54 gift cards or certificates; , or 55 2. Alcoholic beverages; 56 3. Cards, coupons, points, slugs, tokens, or similar 57 devices that can be used to activate an amusement game or

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58 machine; or

59	4. Points or coupons that have redemption value greater
60	than the cap calculated pursuant to subsection (8).
61	(e) "Redemption value" means the imputed value of coupons
62	or points, based on the wholesale cost of onsite merchandise for
63	which those coupons or points may be redeemed.
64	<u>(f)</u> "Truck stop" means <u>a</u> any dealer registered pursuant
65	to chapter 212, excluding marinas, which:
66	1. Declared its primary fuel business to be the sale of
67	diesel fuel; and
68	2. Operates a minimum of six functional diesel fuel pumps $ au$
69	and
70	3. Has coin-operated amusement games or machines on
71	premises which are operated for the entertainment of the general
72	public and tourists as bona fide amusement games or machines.
73	(2) Nothing contained in This chapter <u>does not</u> shall be
74	taken or construed to prohibit an arcade amusement center or
75	truck stop from operating amusement games or machines operated
76	in conformance with this section.
77	(3) This section applies only to <u>amusement</u> games <u>or</u> and
78	machines which are operated for the entertainment of the general
79	public and tourists as bona fide amusement games or machines.
80	(4) This section <u>does</u> shall not be construed to authorize <u>:</u>
81	(a) Casino-style games in which the outcome of the game is
82	determined by factors unpredictable by the player;
83	(b) Games in which the player does not control the outcome
84	of the game through skill;
85	(c) Video poker games or any other game or machine that may
86	be construed as a gambling device under the laws of this state;
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87 <u>or</u>

(d) Any game or device defined as a gambling device in 15 88 89 U.S.C. s. 1171, which requires identification of each device by 90 permanently affixing seriatim numbering and name, trade name, and date of manufacture under s. 1173, and registration with the 91 92 United States Attorney General, unless excluded from applicability of the chapter under s. 1178, or video poker games 93 or any other game or machine that may be construed as a gambling 94 95 device under Florida law.

96 (5) An amusement game or machine may entitle or enable a 97 person, by application of skill, This section does not apply to 98 a coin-operated game or device designed and manufactured only for bona fide amusement purposes which game or device may by 99 100 application of skill entitle the player to replay the game or 101 device without the insertion of at no additional currency or an 102 additional coin, card, coupon, slug, token, or similar device, 103 if cost, if the game or device:

104 <u>(a) The amusement game or machine</u> can accumulate and react 105 to no more than 15 free replays;

106 (b) The amusement game or machine can be discharged of 107 accumulated free replays only by reactivating the game or device 108 for one additional play for such accumulated free replay; and

109 (c) The amusement game or machine cannot Can make <u>a</u> no 110 permanent record, directly or indirectly, of free replays; and 111 is not classified by the United States as a gambling device in 112 15 U.S.C. s. 1171, which requires identification of each device 113 by permanently affixing seriatim numbering and name, trade name, 114 and date of manufacture under s. 1173, and registration with the 115 United States Attorney General, unless excluded from

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116	applicability of the chapter under s. 1178. This subsection
117	shall not be construed to authorize video poker games, or any
118	other game or machine that may be construed as a gambling device
119	under Florida law.
120	(6) An amusement game or machine may entitle or enable a
121	person, by application of skill, to receive points or coupons
122	that can be redeemed onsite for merchandise, if:
123	(a) The amusement game or machine is located at an arcade
124	amusement center, truck stop, bowling center defined in s.
125	849.141, or public lodging establishment or public food service
126	facility licensed pursuant to chapter 509;
127	(b) Points or coupons have no value other than for
128	redemption onsite for merchandise;
129	(c) The redemption value of points or coupons a person
130	receives for a single game played does not exceed the cap
131	calculated pursuant to subsection (8); and
132	(d) The redemption value of points or coupons a person
133	receives for playing multiple games simultaneously or competing
134	against others in a multi-player game, does not exceed the cap
135	calculated pursuant to subsection (8).
136	(7) An amusement game or machine may entitle or enable a
137	person, by application of skill, to receive merchandise
138	directly, if:
139	(a) The amusement game or machine is located at an arcade
140	amusement center, truck stop, bowling center defined in s.
141	849.141, public lodging establishment or public food service
142	facility licensed pursuant to chapter 509, or on the premises of
143	a retailer as defined in s. 212.02; and
144	(b) The wholesale cost of the merchandise does not exceed

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145 10 times the cap calculated pursuant to subsection (8). 146 (8) The cap on the redemption value of points or coupons is \$5.25. Beginning July 1, 2015, and annually thereafter, the 147 148 Department of Revenue shall adjust the cap by multiplying the 149 prior cap by 1 plus the percentage change in the Consumer Price 150 Index for All Urban Consumers, U.S. City Average, or a successor index as calculated by the United States Department of Labor, 151 152 for the most recent 12-month period ending March 31, and rounding the product to the nearest cent. The Department of 153 154 Revenue shall publish the cap, as adjusted, in a brochure 155 accessible from its website relating to sales and use tax on 156 amusement machines.

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Section 2. This act shall take effect July 1, 2014.