By Senator Thurston

33-01171-18 20181802

A bill to be entitled

An act relating to preview games and machines; creating s. 546.15, F.S.; defining terms; specifying the Department of Business and Professional Regulation is responsible for the licensure and regulation of preview games or machines; requiring applicants for licensure as a lessor, manufacturer, or operator to meet certain requirements; prohibiting operators from operating a preview game or machine not leased from a licensed lessor; specifying the maximum number of preview games or machines that may be in use at an operator's location; requiring a licensed lessor to submit an annual report containing specific information to the department; requiring a licensed lessor to report any changes on a quarterly basis; requiring that specified fees be assessed against manufacturers, lessors, and operators; requiring a licensed manufacturer to provide a signed affidavit affirming certain information; providing that certain manufacturers, lessors, and operators who do not have a license are subject to administrative penalties; requiring the department to adopt rules; specifying who has standing to bring a cause of action related to preview games or machines; providing criminal penalties; providing an effective date.

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

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Section 1. Section 546.15, Florida Statutes, is created to

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- 546.15 Preview games or machines.—
- (1) As used in this section, the term:
- (a) "Department" means the Department of Business and Professional Regulation.
- (b) "Lessor" means a person who leases a preview game or machine to an operator.
- (c) "Manufacturer" means a person who creates preview game or machine equipment and software.
- (d) "Operator" means a person registered to operate a preview game or machine.
 - (e) "Person" has the same meaning as in s. 605.0102.
- (f) "Preview game or machine" means a game or machine that is operated with no material element of chance inherent in the game or machine, as defined in s. 546.10; does not require an application of skill; and has a predetermined outcome that a person does not control but which can be reviewed before the game being played.
- (2) The department is responsible for the regulation of preview games or machines; the licensure for lessors, manufacturers, and operators of preview games or machines; and the occupational licensure of persons involved in manufacturing, leasing, and operating preview games and machines.
- (3) An applicant for licensure as a lessor must meet all of the following requirements:
- (a) Be registered in this state for the past 5 years to conduct business as a lessor of amusement games and machines as defined in s. 546.10.
 - (b) Hold a Florida sales tax certificate and be current on

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operator may have in use is:

20181802 33-01171-18 any sales tax payments. (c) Have no felony convictions within the past 15 years. (d) Submit fingerprints for any individual who owns more than 5 percent of the business. (4) An applicant for licensure as a manufacturer must meet all of the following requirements: (a) Hold a Florida sales tax certificate and be current on any sales tax payments. (b) Have no felony convictions within the past 15 years. (c) Submit fingerprints for any individual who owns more than 5 percent of the business. (5) An applicant for licensure as an operator must meet all of the following requirements: (a) Hold a Florida sales tax certificate and be current on any sales tax payments. (b) Have no felony convictions within the past 15 years. (c) Submit fingerprints for any individual who owns more than 5 percent of the business. (d) Have an alcoholic beverage license that allows for consumption on the premises either: 1. Under s. 561.20, s. 563.02, or s. 564.02; 2. As a truck stop as defined in s. 546.10(3)(h); or 3. As a caterer at a horse or dog racetrack or jai alai fronton under s. 565.02(5). (6) An operator may only operate a preview game or machine that is leased from a licensed lessor. (7) The maximum number of preview games or machines that an

(a) Ten games at an organization that is exempt from

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88 <u>federal income taxation pursuant to 26 U.S.C s. 501(c)(3), (4),</u>
89 (7), (8), (10), or (19);

- (b) Five games at a location that has an alcoholic beverage license that allows consumption on the premises under s. 561.20;
- (c) Five games at a truck stop, as defined in s. 546.10(3)(h); and
- (d) Three games at a location that has an alcoholic beverage license that allows consumption on the premises under s. 563.02 or s. 564.02.
- (8) A licensed lessor of a preview game or machine shall submit an annual report to the department listing the number of games or machines in operation at each operator location. The licensed lessor shall report any changes on a quarterly basis.
- (9) Annual licensing and regulatory fees shall be assessed against the manufacturer, the lessor, the operator, and each individual preview game or machine in operation. The annual regulatory fee shall be paid to the department. The annual license fee is:
 - (a) Ten thousand dollars for a manufacturer.
 - (b) Five thousand dollars for a lessor.
- (c)1. Five hundred dollars for each location of an operator which contains a preview game or machine; and
- 2. One hundred twenty-five dollars for each individual preview game or machine in use at such location.
- (10) A licensed manufacturer of a preview game or machine shall provide a signed affidavit affirming that the game or machine meets all the requirements of state law and that the game or machine is protected from manipulation or tampering that could affect the random probabilities of winning plays.

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(11) A manufacturer, lessor, or operator that manufactures, leases, or operates a preview game or machine without a proper license is subject to administrative penalties set by the department, including, but not limited to, the assessment of a fine or the revocation of their license.

- (12) The department shall adopt all rules, pursuant to the provisions of ss. 120.536(1) and 120.54, necessary to implement, administer, and regulate preview games or machines as authorized in this section.
- (13) Notwithstanding any other provision of law, an action to enjoin operation of any game or machine pursuant to or for an alleged violation of this section or chapter 849 may be brought only by:
- (a) The Attorney General, the state attorney for the circuit in which the game or machine is located, a federally recognized tribal government possessing sovereign powers and rights of self-governance which is a party to a compact with the state, or in the case of an alleged violation of statutes that it is charged with enforcing, the Department of Agriculture and Consumer Services or department; or
- (b) A substantially affected person who is a resident of the county where the place of business operating the game or machine is located, or any substantially affected person who has a business or residence within 5 miles of the place of business operating the game or machine.
- (14) In addition to other civil, administrative, and criminal sanctions, a person who violates this section commits a misdemeanor of the second degree, punishable as provided in s. 775.082 or s. 775.083. A person convicted of violating this

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section a second time commits a misdemeanor of the first degree,

punishable as provided in s. 775.082 or s. 775.083. A person who

violates this section after having been twice convicted is

deemed a common offender and commits a felony of the third

degree, punishable as provided in s. 775.082, s. 775.083, or s.

775.084.

Section 2. This act shall take effect October 1, 2018.

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