

Chuck Drago, Interim Secretary

Charlie Crist, Governor

April 23, 2008

RE: Division Policy Statement and Proposed Rulemaking

Dear Madam or Sir:

The Department of Business and Professional Regulation, Division of Pari-Mutuel Wagering (the Division), intends to submit new or updated rule language regarding the following rules:

- Rule 61D-14.040 Game Cycle, Payment of Credits by Ticket Printer, and Ticket Redemption
- Rule 61D-14.096 Requirement for Shipment of All Slot Machines and Slot Machine Components
- Rule 61D-14.097 Responsibility for Control of Slot Machine or Slot Machine Component Shipment
- Rule 61D-14.098 Slot Machine Seal
- Rule 61D-14.200 Slot Machine Storage and Maintenance Facilities, and Educational, Training, and Testing Facilities
- Rule 61D-14.201 Slot Machine Storage and Maintenance Facility Requirements
- Rule 61D-14.202 Slot Machine Storage and Maintenance Facility Application
- Rule 61D-14.203 Slot Machine Certified Educational Facility License Application
- Rule 61D-15.001 PMW-3900 and PMW-3910

The Division has initiated rulemaking regarding the enclosed changes to Rule 61D-14 and Rule 61D-15, Florida Administrative Code. Until such time as these changes are formally published as a new or updated rule, the Division shall require compliance with these rules as policy of the Division.

The policy requirements of Rule 61D-14.040, F.A.C., regarding residual credits will be phased in at the facilities to be effective on or before August 1, 2008.

If you have any questions or require assistance with these procedures, please contact us.

Sincerely,



David J. Roberts
Director

DJR/lm

Enclosures



STATE OF FLORIDA
DEPARTMENT OF BUSINESS AND PROFESSIONAL REGULATION
DIVISION OF PARI-MUTUEL WAGERING
www.MyFlorida.com/dbpr

Application Date: _____	
FAX TO: Chief of Slot Operations	
SLOT MACHINE AND COMPONENT APPLICATION FOR SHIPMENT INTO/OUT OF OR WITHIN THE STATE	
If assistance is needed in completing this application, please call DBPR at 850-487-1395.	
<u>Seller/Shipper Information</u>	
____ Seller	____ Shipper
Name:	Name:
Address:	Address:
City/State/Zip:	City/State/Zip:
Phone Number:	Phone Number:
Ship FROM:	Purchaser:
Address:	Address:
City:	City:
State/Zip:	State/Zip:
<u>DESTINATION INFORMATION</u>	
Requested Shipment Date:	Requested Receiving Date:
Designated Receiver:	Phone:
Receiving Address Physical Street & City:	
Receiving Address State & Zip:	
Carrier [mark one or more]:	____ Commercial ____ Private
Carrier Name:	Phone:
Carrier Contact/Dispatch Name:	
Carrier Address Street & City:	
Carrier Address State & Zip:	
Number of Devices/Seals Applied:	____ Slot Machines ____ Components
Note: If additional carrier(s) is/are used, provide identification and device information on continuation sheet and attach to this application.	
<u>SCHEDULED SHIPMENT PLANNING & APPROVAL</u>	
Shipment Date Approved:	
Rally/Meeting Point for Shipment Inspection:	
Scheduled time for DBPR Inspection:	
DBPR Contact	Name:
	Number:
Shipper/Receiver Contact	Name:
	Number
Shipment Inspected and Completed:	

Date of Slot Machine and Component Application for Shipment: _____ Shipper: _____

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STATE OF FLORIDA
DEPARTMENT OF BUSINESS AND PROFESSIONAL REGULATION
DIVISION OF PARI-MUTUEL WAGERING
TO BE ATTACHED TO REQUEST FOR APPROVAL OF SHIPMENT

Item	Manufacturer	Year	Serial #	Model	EPROM #1 Game/Paytable	Certification Reference Number	EPROM #2 Game/Paytable	Certification Reference Number	Game Theme	Price/Fee	Reason Code

61D-14.040 Game Cycle, Payment of Credits by Ticket Printer, and Ticket Redemption.

(1) A game shall be considered completed when:

(a) The payment to the player's credit meter takes place in the case of a win either by:

1. Transfer to the player's credit meter by the gaming device; or
2. Hand payment of a jackpot.

(b) All credits wagered or won are lost or have been paid to the player, or

(c) A win occurs or all credits are consumed.

(2) The following are all considered to be part of a single game:

(a) Games that trigger a free game feature and any subsequent free games;

(b) "Second screen" bonus feature(s);

(c) Games with player choices;

(d) Games where the rules permit wagering of additional credits; and

(e) Double-up/gaming features.

(3) A ticket printer may only permit credit redemption when the slot machine is linked to a computerized ticket validation system, which allows validation of the printed ticket.

(a) The ticket validation system shall be:

1. Able to identify duplicate tickets; and

2. Incapable of authorizing payment on a wagering instrument that has been previously paid.

(b) If communications between a gaming device and the ticket validation system are lost, the gaming device may continue to issue tickets provided that:

1. Printed on the ticket, there is an authentication code derived by a HASH, or other secure encryption method of at least 128 bits, derived from data that will:

a. Uniquely identify the ticket;

b. Verify that the redeeming system was also the issuing system; and

c. Validate the amount of the ticket.

2. When the authentication code required by this rule is not printed on the ticket, the system must print no more than one ticket after the communication between the gaming device and the ticket validation system has been lost.

(4) A ticket shall contain the following information:

(a) Slot machine licensee name/site identifier;

(b) Machine asset number or cashier/change booth location number;

(c) Date and time in a 24 hour format;

(d) Alpha and numeric dollar amount of the ticket;

(e) Ticket sequence number;

(f) Validation number, unless the ticket is printed due to a loss of communication with the ticket validation system;

(g) Bar code or any machine readable code representing the validation number;

(h) Type of transaction or other method or differentiating ticket types; and

(i) Indication of an expiration period from date of issue, or date and time the ticket will expire in a 24 hour format based upon the local date/time format.

(5) A slot machine shall only generate a ticket through an internal document printer by redeeming all credits to include residual credits as described in this subsection.

(a) If a ticket is inserted into a slot machine with a different denomination from the slot machine that generated the original slot machine ticket:

1. The appropriate amount of credits up to the last available unit will be credited to the designated slot machine credit meter.

2. Upon cash-out, the cash-out ticket shall include the residual credit amount in a single ticket.

(b) For purposes of this rule, the residual credit amount is defined as the amount of credit remaining on a slot machine ticket which is not evenly divisible by the denomination of the slot machine to which the slot machine ticket has been presented.

(6) Tickets or payment vouchers shall only be paid at a cashier's cage or ticket payment automated ticket redemption machine linked to the ticket validation system.

(7) Where ticket validation is to take place at a cashier/change booth, the cashier shall print a validation receipt, after the ticket is electronically validated. The validation receipt shall contain the following printed information:

(a) Machine asset number;

(b) Validation number;

(c) Date and time paid;

(d) Amount; and

(e) Cashier/change booth identifier.

(8) Any adjustment of the amount of a ticket or voucher shall require the completion of a manual or system generated payment (i.e. "a handpay") voucher in accordance with rule 61D-14.075, F.A.C. The manual payment voucher shall contain the ticket or voucher validation number.

(9) No device holding any ticket data or information shall allow the removal or "clearing" of that data or information unless the device has first transferred that information to the database resident in the facility based monitoring system.

(10) The slot machine licensee's internal control shall contain a procedure to permit an alternate method to pay credits in the event of the loss of communication with the ticket validation system.

Specific Authority 551.103(1), 551.122 FS. Law Implemented 551.103(1)(c), (d), (e), (i) FS. History—New 7-30-06.

61D-14.096 Requirement for Shipment of All Slot Machines and Slot Machine Components.

(1) This rule applies to the shipment of any slot machine or slot machine component as defined in Chapter 551, Florida Statutes, whether the item or items are being shipped into, out of, or within the State of Florida to a:

- (a) Licensed pari-mutuel slot machine facility;
- (b) Designated DBPR or FDLE training site;
- (c) Certified educational institution;
- (d) Licensed slot machine manufacturer's or distributor's slot machine storage and maintenance facility; or
- (e) Out-of-state location.

(2) The information and material required to request shipment of any slot machine or slot machine component shall include the following:

(a) The submission of a completed paper or electronic Form DBPR PMW-3900, Slot Machine and Component Application for Shipment, and Form DBPR PMW-3910, Slot Machine and Component Shipment Record, both adopted and incorporated by Rule 61D-15.001, F.A.C. to the Chief of Slot Operations; and

(b) A pre-certification that equipment being proposed for shipment into the state for use at locations designated in paragraph (1)(a) through (d) meet all requirements for slot machines and slot machine components in the State of Florida.

(3) Shipment of any slot machine or slot machine component shall comply with the following requirements:

(a) No slot machine or slot machine component that will be shipped through the state pursuant to the requirements of Chapter 551, F.S. can be shipped until the Chief of Slot Operations or his or her designee provides formal signed approval for that shipment. The division shall provide written approval to the shipper by hand-delivery, mail or electronic means such as email or FAX.

(b) All slot machine shipments shall be scheduled to permit the Chief of Slot Operations or his or her designee to be present upon arrival of the shipment at the approved destination in Florida;

(c) All slot machines and slot machine components must be shipped in the following manner:

1. For purposes of this rule the term "shipping seal" shall mean a material of some description (generally a large paper patch with adhesive backing) applied across a closed door or closed container top. The shipping seal shall be applied in such a fashion that should the door or container be opened, the shipping seal must be broken, or damaged. A broken shipping seal shall indicate the door or container has been opened.

2. All slot machine and slot machine components shall be transported in container, compartment, or freight trailer that has been secured and bears a shipping seal.

3. All central processing unit (CPU) main boards and erasable programmable read-only memory (EPROM) units shall be delivered separately or encased in a separate compartment within a larger freight compartment or freight trailer. Each compartment shall bear a shipping seal. The required shipping seal shall be applied at the shipper's point of origin. Alternatively, the slot machine or slot machine component may be shipped intact with the logic compartment locked and rendered inoperable so long as the key to such lock is shipped separately from the slot machine or slot machine component.

4. All shipment containers must have a shipping seal applied at the shipper's point of origin. The shipping seal shall remain intact until inspected and accepted by the Chief of Slot Operations or his or her designee, at which time the seal shall be broken by Slot Operations representatives.

a. Where equipment is shipped in vehicle freight trailers (when an entire freight trailer is used for shipment), the shipper shall affix a shipping seal across the center of each of the trailer's exterior doors so that should the door be opened, the shipping seal would be broken. Additionally, the shipper shall also apply a shipping seal to each individual packing box comprising the shipment. Shipping seals applied by the shipper must not be broken or removed until delivery and inspection by the Chief of Slot Operations or his or her designee at the approved destination in Florida.

b. For those shipments not using an entire vehicle or freight trailer, shippers shall apply a shipping seal to each individual packing, and the shipment seals shall not be broken or removed until delivery and inspection by the Chief of Slot Operations or his or her designee at the approved destination in Florida.

(d) All software components shall be delivered to the division regional office for verification and subsequently scheduled by division personnel for delivery to the appropriate facility.

(e) If shipping seals described above are broken, removed, or show signs of tampering, upon inspection at the delivery site, the Chief of Slot Operations or his or her designee shall instruct the facility and shipper as to the course of action to be taken. The course of action may involve:

1. Retesting and verification of the slot machine or slot machine component; or
2. Immediate refusal of the entire shipment and the return of the entire shipment to the originating shipment location and notification to FDLE.

(4) Shippers shall retain all records associated with the shipment of all slot machine and slot machine components pursuant to Rule 61D-14.080, F.A.C.

Specific Authority 551.103(1), 551.109(2)(a), (b), 551.122 FS.

Law Implemented 551.103(1)(c), (e), (i), 551.109(2)(a), (b) FS.

History—New

61D-14.097 Responsibility for Control of Slot Machine or Slot Machine Component Shipment.

(1) Manufacturers and distributors must be licensed pursuant to Chapter 551, F.S. in order to request the shipment, or receipt of slot machines or slot machine components into, out of, and within the State of Florida at a location identified in Rule 61D-14.096(1), F.A.C.

(2) Licensed manufacturers and distributors must request approval from the Chief of Slot Operations or his or her designee for shipment into, out of, or within the State of Florida at least five days in advance of the proposed shipment date to or from an approved destination in Florida.

(3) Entities identified in rule 61D-14.096(1) F.A.C. (entity) shall take the following actions to arrange a shipment of a slot machine or slot machine component to a facility licensed pursuant to Chapter 551, F.S., into or within the State of Florida. The entity shall:

(a) Notify the Chief of Slot Operations no later than five days in advance of the date of the proposed shipment of any slot machine or slot machine component as defined in Chapter 551, F.S., ;

(b) Confirm the slot machine or slot machine component complies with the requirements of Rule 61D-14.022, F.A.C, prior to requesting shipment to an approved location within the State of Florida;

(c) Coordinate a mutually acceptable delivery date and time for the Chief of Slot Operations or his or her designee to accept delivery or be present for the packing of the slot machine or slot machine component pursuant to Rule 61D-14.096, F.A.C.;

(d) Obtain approval of changes to a floor plan pursuant to Rule 61D-14.051, F.A.C. in those cases where an approved floor plan exists or is required at the entity's location; and

(4) Slot machine licensees shall follow additional procedures that are required for making requests for shipment of a slot machine or slot machine component out of the State of Florida. The slot machine licensee shall:

(a) Notify the Chief of Slot Operations no later than five days in advance of the date of the proposed shipment of any slot machine or component as defined in Chapter 551, F.S. out of the State of Florida.

(b) Coordinate the shipment date and time for the Chief of Slot Operations or his or her designee to attend the packing, sealing, and shipment of the material proposed for shipment.

(c) Obtain adjustments and approval of any facility floor plan pursuant to Rule 61D-14.051, F.A.C.

(d) Within 10 days of the shipment, provide the Chief of Slot Operations a copy of a confirmation notice executed by the out-of-state recipient that the shipment was physically received at the out-of-state destination.

(5) The following applies to the shipment of slot machine or slot machine components within or out of the State of Florida for which an entity identified in Rule 61D-14.096(1), F.A.C. intends to achieve permanent divestiture of ownership. The entity shall:

(a) Notify the Chief of Slot Operations no later than five days prior to the proposed shipment of slot machine or slot machine component as defined in Chapter 551, Florida Statutes.

(b) Coordinate the delivery date and time for the Chief of Slot Operations or his or her designee to accept delivery under Rule 61D-14.096, F.A.C., or;

(c) Coordinate shipment date and time for the Chief of Slot Operations or his or her designee to attend the packing, application of the shipping seal to the shipment container and shipment of the material proposed for shipment.

(d) Remove all master key locks from slot machine or slot machine component being shipped.

(e) Obtain required approval of any floor plan changes necessary pursuant to Rule 61D-14.051, F.A.C. in those cases where an approved floor plan exists at the entity's location.

(6) The following applies to the shipment of slot machine or slot machine component within or out of the State of Florida when the entity identified in Rule 61D-14.096(1), F.A.C. Intends to dispose of the slot machine or slot machine component through permanent destruction. The entity shall:

(a) Notify the Chief of Slot Operations no later than five days in advance of proposed shipment of any slot machine or component as defined in Chapter 551, Florida Statutes, within or out of the State of Florida to any destination for disposal. The notification shall include:

1. A statement of reason for destruction;

2. A certification that slot machine or slot machine component is to be shipped specifically for the purpose of destroying the slot machine or slot machine component rendering it unusable for any purpose described in Chapter 551, F.S.; and

3. A statement that a certificate of destruction stating the slot machine or slot machine component has been destroyed shall be presented to the Chief of Slot Operations within 10 days of the approved shipment.

(b) Coordinate the shipment date and time for the Chief of Slot Operations or his or her designee to attend the packing and movement of the material proposed for shipment.

(c) Provide for a means for destruction of the slot machine equipment.

(d) Remove all slot machine state seals pursuant to Rule 61D-14.098(2), F.A.C.

(e) Obtain any required approval of any floor plan changes necessary pursuant to Rule 61D-14.051, F.A.C., in those cases where an approved floor plan exists at the entity's location.

(f) Retain a certificate of destruction pursuant to Rule 61D-14.080, F.A.C. from a designated entity at the shipping destination that states:

1. That the slot machine or slot machine component shipped for destruction has been destroyed;

2. The method used to destroy the slot machine or slot machine component; and

3. The slot machine or slot machine component's identifying information.

Specific Authority 551.103(1), 551.122 FS.

Law Implemented 551.103(1)(c), (e), (i), 551.109(2)(a), (b) FS.

History—New

61D-14.098 Slot Machine Seal.

(1) When a slot machine is initially received in the State of Florida, the Chief of Slot Operations or his or her designee shall affix a slot machine seal to the slot machine's cabinet. The slot machine seal shall be located on the outside of the slot machine cabinet next to other identification labels on the slot machine cabinet.

(2) A slot machine being transported out of Florida or being destroyed shall have all seals removed from it prior to transportation out of Florida or to its designated destruction location.

(3) For slot machines maintained at a slot machine licensed facility:

(a) The term slot machine licensee's gaming area for purposes of this rule means that area designated at a slot machine licensee's facility in which slot machine games are offered to the public for play.

(b) The division shall:

1. Affix an additional seal (security tape) on the exterior of the slot machine when:

(I) A slot machine is removed from the slot machine licensee's gaming area; or

(II) A slot machine is received at the slot machine licensed facility and is not immediately offered for play in the licensee's gaming area.

2. Inspect those slot machines that are in the slot machine licensee's storage area, prior to moving the slot machine to the slot machine licensee's gaming area to determine if the additional seal (security tape) the division affixed to the slot machine has been broken or tampered with in any fashion.

(c) When a slot machine seal or additional seal (security tape) has been found to have been broken or tampered with, the following actions shall be taken:

1. The individual discovering the slot machine seal or additional seal (security tape) has been broken or tampered with shall immediately notify the slot machine licensee's security and surveillance department;

2. The facility shall notify the surveillance department to provide coverage of the machine area involved; remove the slot machine involved from play (if it is not in storage); retain all surveillance records regarding the slot machine; notify FDLE of the incident; and secure the slot machine until such time as the FDLE investigator may make a determination regarding the slot machine seal or additional seal (security tape);

3. An FDLE and division representative shall conduct an investigation, including a verification check of game-related storage media and obtain confirmation that all games comply with requirements for games in the state;

4. The division shall use a verification device that is approved by the division for testing slot machines for compliance with Chapter 551, F.S., and Chapter 61D-14, F.A.C.; and

5. If the test results from the verification device reflect that:

a. The slot machine and the slot machine game in the slot machine is a version the division has authorized for play in the State of Florida, the slot machine licensee may offer the slot machine to the public for play; or

b. The slot machine or the slot machine game in the slot machine is not an authorized version for play in the State of Florida, then the slot machine shall not be offered to the public for play. The slot machine shall not be offered to the public for play until:

(I) the investigation into the broken or tampered slot machine seal or additional seal (security tape) has been completed; and

(II) The slot machine has been configured with slot machine games and slot machine components that have been certified for use in the State of Florida; and

(III) The slot machine and slot machine game has been certified for use in the State of Florida by an independent test laboratory licensed by the state.

Specific Authority 551.103(1), 551.122 FS.

Law Implemented 551.103(1)(c), (e), (i) FS.

History—New _____.

61D-14.200 Slot Machine Storage and Maintenance Facilities, and Educational, Training, and Testing Facilities.

(1) The following entities upon division approval, may be permitted to have slot machines for the limited purposes of educating, training, maintenance, or testing:

(a) Slot machine storage and maintenance facilities located in a county in which slot machine gaming is authorized by Chapter 551, F.S.;

(b). Certified educational facilities;

(c) Florida Department of Law Enforcement; and

(d) The Department of Business and Professional Regulations.

(2) Certified educational facilities shall:

(a) Be licensed under 61D-14.203 prior to:

1. Enrollment of any student for slot machine maintenance or operations courses; or

2. Offering any course concerning slot machine maintenance or operations; or

3. Conduct any business whatsoever with a casino licensee or applicant, its employees or agents.;

(b) Submit written certification from the Florida Department of Education with its application for licensure pursuant to Rule 61D-14.006, and 61D-14.203 F.A.C. that The Florida Department of Education recognizes the applicant institution as certified educational facility;

(c) Use only slot machine equipment and components that are configured for instructional, training and testing purposes certified for use in Florida by a licensed independent testing laboratory;

(d) Follow rules 61D-14.096; 097 and 098, F.A.C. regarding the shipment of any slot machine or slot machine component into, or out of the certified educational facility;

(e) Establish a slot machine training area that is:

1. Separate from all other training or class room areas:

a. Bound by four walls that reach from the floor to the ceiling of the designated slot machine training space; and

b. Segregate the slot machine training area from all unauthorized access;

2. Individually secured through the use of a lock and key system to which only personnel holding a slot machine occupational license have access; and

3. Used exclusively for slot machine training and instruction.

(f) Obtain licensure pursuant to Rule 61D-14.006, and 61D-14.203, F.A.C. and in addition provide the following as a condition of licensure approval:

1. In compliance with the requirement of Rule 61D-14.006(h), F.A.C., provide a list of all officers, administrators, directors, or managers of the educational facility and all other requirements of that rule.

2. In lieu of the requirement of Rule 61D-14.006(i), F.A.C., provide the name, and job description of each employee who shall possess a slot occupational license and will upon issue of that license have access to the slot machine training area.

3. Written internal controls that will ensure compliance with the requirements of Chapter 551, F.S., and Chapter 61D-14, F.A.C. The internal controls shall be provided to the division and include the following:

a. Administrative controls which provide for the acquisition and qualification of students receiving training;

b. Requirements for slot machine training students to receive at least one block of

instruction and written testing on Chapter 551, F.S. and Chapter 61D-14, F.A.C.

c. Procedures to notify and record notice to students using slot machine equipment in the class room that:

1. It is a violation of Florida Law to use the slot machine equipment under the educational institution's control for any wagering, betting, gaming or similar activity;

2. Require the student and instructor sign a written statement acknowledging that the slot machine equipment shall not be used for any wagering, betting, gaming or similar activity; and

3. The original signed notification shall be maintained as part of the student's permanent educational facility record and retained pursuant to Rule 61D-14.080, F.A.C.

d. Procedures to grant and control access to the slot machine training area during class and non-class time periods consistent with Chapter 551, F.S. and Chapter 61D-14, F.A.C.

e. A statement signed by the certified educational facility chief administrator, who must also possess a slot machine occupational license. The statement must attest to the fact that the internal controls conform to the requirements of Chapter 551, F.S., and Chapter 61D-14, F.A.C.

f. Procedures that require a quarterly written report that the educational facility shall retain pursuant to Rule 61D-14.080, F.A.C. and providing:

1. A list of all personnel granted access to the slot machine training area to include the name, student number or slot machine occupational license number and purpose of access;

2. A certification signed by the chief administrator of the certified educational facility that:

a. Access to the training area is strictly controlled and limited to students certified for the training and licensed training and support personnel associated with slot machine training;

b. All slot machine equipment under the educational institution's control has been used exclusively for training purposes and no wagering, betting, gaming or similar activity has occurred at the educational facility during the previous quarter;

c. Procedures are in place and actively enforced to prevent the inappropriate use of all slot machine equipment under the educational institution's control to include wagering, betting, gaming or similar activity; and

d. All students granted access to slot machine equipment under the educational institution's control are instructed that it is a violation of Florida Law to use the slot machine equipment under the educational institution's control for any wagering, betting, gaming or similar activity.

(g) Require all personnel employed or under contract with the certified educational institution who are associated with access, instruction activity or the operation of the slot machine training area to obtain licensure pursuant to Rule 61D-14.005, F.A.C.

(3) The division shall evaluate the certified educational institution's internal control procedures based on the following criteria:

(a) Conformity to Chapter 551, F.S., and Chapters 61D-14, and 15 F.A.C.; and

(b) Evidence that the following standards are met:

1. Access controls are established for the slot machine training facility consistent with Chapter 551, F.S. and Chapter 61D-14, F.A.C.;

2. That only demonstration software shall be employed in all slot machines used for educational training;

3. Proper key control and slot machine training material controls are satisfactorily addressed;

4. Proper student acquisition, control, and management are established to include:

a. Providing student instruction and written warning regarding Florida Laws regarding gambling and inappropriate use of slot machines.

b. A recorded of the required instruction and signed warning is maintained in the permanent student file and reflected in the quarterly educational institution reports.

c. The permanent retention of student records as required pursuant to Rule 61D-14.080, F.A.C.

(4) A current copy of the internal controls the division has approved for the certified educational institution shall be maintained in:

(a) The certified educational institution's administrative office;

(b) The certified educational institution's security office, when one is provided; and

(c) The slot machine training area, under a separate lock, accessible only by personnel possessing a current slot machine occupational license.

(5) The certified educational institution shall maintain copies of previous internal controls pursuant to the requirements of Rule 61D-14.080, F.A.C. in a secure storage container accessible only by educational institution personnel licensed pursuant to Chapter 551, F.S..

(6) The certified educational institution shall obtain approval for any update in its internal control procedures consistent with the procedures in Rule 61D-14.058, F.A.C. upon initial licensure, renewal of licensure and prior to implementing any requested change to the internal control procedures.

(7) Failure of the certified educational institution to implement or comply with its internal control procedure required in Chapter 61D-14, F.A.C., is a violation of this section and may result in disciplinary action against the certified educational institution regarding its licensure to conduct training and those individuals holding slot machine occupational licenses associated with that violation or violations.

(8) Entities licensed under Rule 61D-14.002, 61D-14.003, 61D-14.006, 61D-14.007, 61D-14.008 shall be authorized to seek division approval of physically segregated slot machine storage and maintenance facility or facilities upon complying with the requirements of Chapter 61D-14, F.A.C., and Chapter 551, F.S. Segregated slot machine storage and maintenance facilities shall:

(a) Be located in a county in which slot machine gaming is authorized pursuant to Chapter 551, F.S.;

(b) Not provide a venue to offer slot machine play to patrons of any slot machine facility; and

(c) Comply with facility requirements of Rule 61D-14.201 and 61D-14.202, F.A.C.

(d) Comply with all applicable provisions of Chapter 61D-14, F.A.C.

(9). Applicants who obtain approval of a slot machine and component storage facility shall:

(a) Maintain a written record of access to the slot machine storage and maintenance area to include the name, slot machine occupational license number, and purpose of access. The record shall:

1. Include a certification that access to the slot machine storage and maintenance area is strictly controlled and limited to slot machine licensee and necessary support personnel; and

2. Be available for division review upon request.

(b) Require all personnel employed or under contract with the slot machine storage and maintenance area who are associated with access, maintenance, or storage activity or the operation of the slot machine storage and maintenance area to obtain licensure pursuant to Rule 61D-14.005, F.A.C.

(c) Require all personnel employed or under contract with the slot machine storage and maintenance facility who are required to support the operation of the slot machine storage and maintenance facility to be either licensure pursuant to Rule 61D-14.005, F.A.C. or be under the constant escort and supervision of an individual who does possess a valid license pursuant to Rule 61D-14.005, F.A.C .

(10) Only personnel possessing a valid slot machine occupational license may escort approved unlicensed personnel within the slot machine maintenance and storage facility. The licensed individual providing escort shall:

(a) Assure escorted personnel properly record the required information in the facility entry control log;

(b) Be responsible for escorted personnel and their conduct throughout the time the escorted person is within the slot machine maintenance and storage facility;

(c) Immediately report any violation of Chapter 551, Florida Statute or Chapter 61D-14, F.A.C. to the division.

(11) Entities applying for a license or renewal of a license for a segregated slot machine storage and maintenance facility or facilities shall provide the division a copy of written internal controls that ensure compliance with the requirements of Chapter 551, F.S., and Chapter 61D-14, F.A.C. The internal controls shall include the following:

a. Administrative controls and procedures to grant and control access to the slot machine storage and maintenance area during business and non-business time periods;

b. A statement signed by the most senior manager of the proposed facility, who must also possess a slot machine occupational license. The statement must attest to the fact that the internal controls conform to the requirements of Chapter 551, F.S., and Chapter 61D-14, F.A.C.

c. Procedures that the slot machine storage and maintenance facility shall document a quarterly written report and retain that report pursuant to Rule 61D-14.080, F.A.C. and providing:

1. A list of all personnel granted access to the slot machine storage and maintenance facility to include the name and slot machine occupational license number and purpose of access.

2. A list of all personnel granted escorted access to the slot machine storage and maintenance facility to include the name and slot machine occupational license number of the person providing escort and the name of the person escorted, the organization that person represents and the date and time of entry and exit for that person.

3. A certification signed by the senior manager of the storage and maintenance facility that:

a. Access to the storage and maintenance area is strictly controlled and limited to individuals requiring access for necessary business purposes and escorted support

personnel:

b. All slot machine equipment under the slot machine storage and maintenance facility's control has not been used for wagering, betting, gaming or similar activity at the slot machine storage and maintenance facility during the previous quarter;

c. Procedures are in place and actively enforced to prevent the inappropriate use of all slot machine equipment under the slot machine storage and maintenance facility's control to include wagering, betting, gaming or similar activity; and

g. All individuals granted access to slot machine equipment under the slot machine storage and maintenance facility's control are instructed that it is a violation of Florida Law to use the slot machine equipment under the slot machine storage and maintenance facility's control for any wagering, betting, gaming or similar activity.

(12) The division shall evaluate the slot machine storage and maintenance facility's internal control procedures based on the following criteria:

(a) Conformity to Chapter 551, F.S., and Chapter 61D-14, F.A.C.;

(b) Evidence of written procedures for marking, shipping, receiving, storing, and accounting for all equipment exempted from Chapter 551, F.S. control pursuant to 15 U.S.C.A. 1171 et. Seq.; and

(c) Evidence that the following standards are met:

1. That access controls are established requiring the sign-in and sign-out of each person entering the secured storage area. The sign-in/out procedure shall require the name, license number, date and time of entry and exit. The procedure shall also include the requirement to escort all unlicensed personnel and list that individual's name, date of entry and exit and reason for the entry into the secure area;

2. That only demonstration software shall be employed in all slot machines used for demonstration, testing, and maintenance purposes;

3. Proper key control and slot machine storage and maintenance controls are addressed;

4. Proper individual access, control, and management are established to include:

a. Proper instruction and written warning regarding Florida Laws regarding gambling;

b. Proper use of slot machines is provided and recorded in the quarterly storage and maintenance facility reports;

c. A daily continual inventory is maintained at the facility and is available for inspection by Division and maintained under 61D-14.080;

d. The permanent retention of storage and maintenance facility records as required pursuant to Rule 61D-14.080, F.A.C.

(13) A current copy of the internal controls the division has approved for the slot machine storage and maintenance facility shall be maintained in:

(a) The slot machine storage and maintenance facility administrative office; and

(b) The slot machine storage and maintenance facility security office, when one is provided.

(14) The slot machine storage and maintenance facility shall maintain copies of previous internal controls pursuant to the requirements of Rule 61D-14.080, F.A.C. in a secure storage container.

(15) The division shall inspect each slot machine storage and maintenance facility for approval under the following criteria:

(a) Each slot machine and its components controlled under the requirements of

Chapter 551, F.S. on the premises of a slot machine storage and maintenance facility shall:

1. Have been certified by an independent testing laboratory licensed by the state and the slot machine storage and maintenance facility shall possess a copy of the certification that the slot machine is certified for use in Florida;

2. Have permanently affixed on it a serial number from the manufacturer and state seal;

3. Have its identification, serial number recorded pursuant to Rule 61D-14.201, F.A.C. and available to the division upon request.

(b) Each slot machine and slot machine component not controlled under the requirements of Chapter 551, F.S. on the premises of a slot machine storage and maintenance facility, shall be marked and identified pursuant to 15 U.S.C.A. § 1171 et. seq. and Chapter 61D-14, F.A.C.

(c) A inventory log of all equipment shipped to, out of or stored at the facility shall be available for the division's inspection.

(d) Each facility storing slot machines or slot machine components shall designate a person in charge of facility security. That person shall possess a valid professional slot machine occupational license pursuant to Rule 61D-14.005, F.A.C.

(e) Each facility possessing slot machines or slot machine components shall provide security procedures approved by the division which shall include at a minimum:

1. Key control access to slot machine storage areas that is independent from any part of the facility not holding slot machines or slot machine components;

2. A sign in/out log of all individuals who enter or exit the room or area where slot machines or slot machine components are stored or housed; and

3. Documented escort procedures requiring that all unlicensed personnel granted access to the slot machine maintenance and storage facility will remain under the constant presence and supervision of an individual possessing a current slot machine occupational license issued by the division, who shall be responsible for the conduct of each individual the licensee escorts within the facility.

(f) Facilities shall be available for inspection by Division and FDLE at all times upon presentation of proper identification;

(g) The use of slot machine gaming equipment for actual gaming within the slot machine maintenance and storage area by any person is prohibited and may constitute administrative action by the Division.

(16) The slot machine maintenance and storage facility shall obtain approval for any update in its internal control procedures consistent with the procedures in Rule 61D-14.058, F.A.C. upon initial licensure, renewal of licensure and prior to implementing any requested change to the internal control procedures. Failure of the slot machine maintenance and storage facility to implement or comply with its internal control procedure required in Chapter 61D-14, F.A.C., is a violation of this section and may result in disciplinary action against the slot machine maintenance and storage facility regarding its licensure and those individuals holding slot machine occupational licenses associated with that violation or violations.

(17) Each entity mentioned in (1) above shall follow rule 61D-14.096; 097 and 098, F.A.C. regarding the shipment of any slot machine or slot machine component into, out of or within the state for any shipment not specifically excluded pursuant to 15 U.S.C.A.

§ 1171 et. seq. and separately addressed in the facility internal controls.

(18) The entities identified in (1)(c) and (d) above shall incorporate instructions on the management and operation of assigned slot machine gaming equipment in internal procedures and controls. These procedures and controls shall be reviewed annually for compliance with Chapter 551, F.S. and Chapter 61D-14, F.A.C.

Specific Authority 551.109(2), 551.122 FS. Law Implemented 551.109(2)(a), (b) FS.
History—New --/--.

61D-14.201 Slot Machine Storage and Maintenance Facility Requirements.

(1) A slot machine manufacturer or slot machine distributor may operate one or more storage or maintenance facilities pursuant to Chapter 551, Florida Statutes. The slot machine manufacturer or slot machine distributor's slot machine storage or maintenance facility shall be:

(a) Located in a county in which slot machine gaming is authorized by Chapter 551, F.S.; and

(b) Individually licensed as a designated storage location pursuant to Rule 61D-14.202, F.A.C.

(c) Configured so that all equipment and materials are physically segregated into two distinct areas. These areas shall contain all slot machine equipment authorized for the storage or maintenance facility. The physically segregated areas shall contain:

1. Those items regulated and properly marked pursuant to 15 U.S.C.A. §1171 et.seq. which is also known as the Johnson Act; and

2. Those slot machine and slot machine components regulated and controlled pursuant to chapter 551, F.S.

(2) All shipments into and out of the slot machine storage and maintenance facility of slot machine and slot machine component regulated pursuant to Chapter 551, F.S., exclusive of those shipments exempted pursuant to 15 U.S.C.A. § 1171 et. seq., shall meet the requirements of Rule 61D-14.096; 097; 098, F.A.C.

(3) The storage facility must meet the requirements of an alarmed facility with surveillance camera coverage. The following requirements apply to all approved storage facilities:

(a) Access shall be controlled with facility owned or contractor provided access control, and surveillance system. Personnel at the facility or personnel located in an outside business entity shall monitor the access control system. The electronic identification and access control system shall record activity pursuant to rule 61D-14.052, F.A.C.

(b) The surveillance system shall record "any movement" within the facility from cameras located behind fixed camera domes.

(c) The facility owned or contractor provided surveillance system shall:

1. Use no less than 15 frames per second;

2. Use no less than 4 common intermediate formats;

3. Be connected to the access monitoring system;

4. Provide an alert any time the system malfunctions; and

5. Retain surveillance recordings for no less than 15 days.

(d) The approved storage facility shall maintain a secured storage cabinet that is segregated from all other slot machine and slot machine component storage. The storage cabinet shall:

1. Be used to store all Erasable Programmable Read-Only Memory (EPROM), flash media and similar electronic media storage components;

2. Have a separate lock system with a key different than that required for access to the approved slot machine storage and maintenance facility; and

3. Have a separate access control method described in the slot machine storage and maintenance facility internal controls describing the controls for access to this storage cabinet.

(4) An inventory log of all equipment shall be maintained for all slot machine equipment stored at the facility, exclusive of those shipments exempted pursuant to 15 U.S.C.A. § 1171 et. seq. The inventory log shall reflect all required information about the inventory of all items within the facility at any given point and time. The primary method of item control shall be by serial number. In those cases where the item is not controlled by serial number, the part number shall be employed. The inventory log shall be maintained either manually or in a computer data base. The inventory record information shall be accessible to the division on demand and shall include the following:

(a) Individual identification for each slot machine or slot machine component received in the storage or maintenance facility. This information shall include a serial number or when a serial number is not employed, a part number that is used for control and identification of the item. In the case of individual part numbered items that are not controlled individually by serial number, the record shall reflect either the part number of each item or a single part number if more than one of the same item that is held in storage;

(b) The date the item arrived and the general storage location;

(c) A record of any modification to the original equipment or component received;
and

(d) The date the item was shipped from the facility and its intended destination.

(5) The storage facility shall address control of all equipment maintained under the authority of Chapter 551, F.S. and 15 U.S.C.A. § 1171 et. seq. in its approved internal controls. These procedures shall be approved prior to issue of a storage facility license.

(6) As a minimum, the licensed facility internal controls shall address:

(a) Facility procedures to assure that all gambling devices, and all packages containing any such device or component as defined in Chapter 551, F.S., shall be plainly and clearly labeled or marked so that the name and address of the shipper and of the name of the consignee, which gains the facility exemption pursuant to 15 U.S.C.A. § 1171 et. seq., the nature of the article or the contents of the package may be readily ascertained on an inspection of the outside of the article or package to include the approved shipment application and copy of the movement record; and

(b) The maintenance and disposition of inventory records necessary to maintain movement history on the equipment pursuant to rule 61D-14.080, F.A.C.

(c) Record retention according to the requirements of rule 61D-14.080(4)(b)
for:

1. All equipment controlled pursuant to Chapter 551, F.S. that is delivered to and shipped out of the facility; and

2. All equipment maintained pursuant to 15 U.S.C.A. § 1171 et. seq.

(7) All personnel entering any facility area in which slot machine equipment (as defined in Chapter 551, F.S.) shall be licensed or escorted by personnel licensed by the division. The storage facility shall maintain an entrance and exit log indicating:

(a) The name of the:

1. licensed employee; and

2. visitor or visitors authorized in the facility, while being escorted by a licensed employee, and the reason for their visit;

(b) The slot machine occupational license number of each licensed individual entering the facility;

(c) The licensee's license number when providing an escort;

(d) The licensed individual's department and position, reason for entry, date, and time of entry and date and time of exit.

(8) The storage facility licensee shall notify the division of any surveillance equipment failure by the end of the next business day following the failure.

(9) Division and FDLE shall have complete access to the facility according to rule 61D-14.090(1) for inspections without notice during the storage facility's business hours.

Specific Authority 551.103(1), 551.109(2), 551.122 FS. Law Implemented
551.109(2)(a), and (b) FS. History--New --/--.

61D-14.202 Slot Machine Storage and Maintenance Facility Application.

(1) The slot machine storage and maintenance facility authorization:

(a) The requirements of this section apply to any business entities, including sole proprietorships, that is a slot machine slot machine or slot machine component (as described in Chapter 551, F.S.) manufacturer or distributor.

(b) The slot machine storage and maintenance facility authorization may only be issued to those qualified entities possessing a valid business entity slot machine occupational license pursuant to rule 61D-14.006, F.A.C.

(2) A supplemental application for a slot machine storage and maintenance facility shall be made on Form DBPR PMW3421, Slot Machine Storage And Maintenance Facility Supplemental Application, which is adopted and incorporated by Rule 61D-15.001, F.A.C.

(3) Failure to include the following information as required by Form DBPR PMW-3421, Slot Machine Storage And Maintenance Facility Supplemental Application, which is adopted and incorporated by Rule 61D-15.001, F.A.C., shall constitute grounds to deny the incomplete application:

(a) The name of the business, including "doing business as" (d/b/a) names or fictitious names;

(b) The business Federal Employer Identification Number or, for sole proprietors, a social security number;

(c) Whether the business is a sole proprietorship, corporation, estate, trust, partnership, or if not one of the foregoing, a description of the business entities ownership and management structure;

(d) The applicant shall provide the following qualifying information regarding the applicant's business entity slot machine occupational license on the application:

1. The applicant's current business entity slot machine occupational license number;

2. An indication that the slot machine occupational license is current and in good standing; and

3. The term of the business entity license and date of expiration.

(f) The physical and mailing address(es), including the country if not the United States of America;

(g) The proposed storage facility's physical street address and property description. No post office box or alternate address shall be accepted in compliance with this requirement.

(h) Contact information for the resident representative to be primarily responsible for the proposed storage facility and its security.

1. The name, title and Florida slot machine occupational license number of the primary contact person working for the business; and

2. The primary telephone number and email address for the contact person;

(i) A description of the services, products or goods which the business intends to provide;

(j) A list of slot machine licensees to whom the applicant intends to provide services, products or goods.

(k) The applicant shall submit internal controls and a floor plan of the proposed facility reflecting:

1. The total storage area dedicated to those slot machine component(s) regulated

pursuant to Chapter 551, Florida Statutes.

2. That the designated dedicated storage area shall be under surveillance and physically segregated from all other equipment not regulated by the division;

3. Any display or marketing presentation space in which slot machine(s) or slot machine component(s) are intended to be viewed for possible sale to those licensed pursuant to Chapter 551, Florida Statutes shall be contained within the secured building with the same requirements as in the dedicated storage area if not located in the storage area. The display or marketing presentation space shall be under surveillance and have access controls into the area.

4. Any space within the facility designated for equipment the facility is authorized to hold pursuant to 15 U.S.C.A. § 1171 et. seq. and Chapter 849, Florida Statutes.

(4) The license application shall be filed under oath by an officer, director or manager who is authorized by the applicant business entity to bind the applicant to the representations made in the license application.

(5) No storage facility may be operated unless the supplemental application for that facility has been approved and notification issued by the division to the slot machine business licensee.

(a) The authority for a storage facility shall be considered for renewal in conjunction with slot machine business's license applications for its slot machine business license.

(b) If a slot machine business licensee amends its license and such amended license does not satisfy the renewal application requirements required by this rule and Chapter 551, F.S., the authority for a storage facility will become void upon the issuance of the slot machine business licensee amended license.

(6) If the applicant intends to claim any exemption from public records disclosure under Section 119.07, F.S., or any other exemption from public records disclosure provided by law, for any part of its application, it shall indicate in its application the specific sections for which it claims an exemption and the basis for the exemption.

(7) Each application shall be filed with the division's office located at the slot machine licensee's facility or to the division at 1940 North Monroe Street, Tallahassee, Florida 32399-1035.

(8) The division shall deny the application for a slot machine storage and maintenance facility license if a review of the application or the investigation of the applicant and proposed facility site demonstrates any of the following:

(a) The applicant fails to provide any document required pursuant to Chapter 61D-14, F.A.C.;

(b) The applicant does not possess a current business entity slot machine occupational license that is in good standing at the time of application;

(c) The applicant has outstanding fines, or the applicant's license has been suspended or revoked for noncompliance with Chapter 551, Florida Statutes.;

(d) The applicant indicates that slot machine storage and maintenance operations shall be conducted in a manner that is not consistent with Chapter 551 or 849 Florida Statutes or Chapter 61D-14, F.A.C.;

(e) The applicant failed to reveal any fact mandatory to the application for licensure, or has supplied information that is untrue or misleading as to a mandatory fact pertaining to the licensure criteria; or

(f) The division does not approved the applicant's:

1. Internal controls;

2. Facility floor plan; and

3. Security and surveillance equipment and configuration .

Specific Authority 551.103(1), 551.109(2)(a), 551.122 FS. Law Implemented
551.103(1)(a), (b), 551.107(4)(a), 551.109(2)(a), 849.15(2) FS. History–New 7-30-06.

61D-14.203 Slot Machine Certified Educational Facility License Application.

(1) The slot machine certified educational facility license requirements of this section apply to those educational facilities intending to provide educational instruction for slot machine technicians, inspectors or investigators.

(a) The slot machine certified educational facility license may only be issued to those educational facilities that are certified by the Florida Department of Education (FDOE) as an approved to provide educational instruction within the state of Florida.

(b) Slot machine certified educational facilities shall meet all requirements of Rule 61D-14.200, F.A.C., as a condition precedent to the issue of a slot machine certified educational facility license.

(2) An application for a slot machine certified educational facility license shall be made on Form DBPR PMW-3422, Slot Machine Certified Educational Facility License Application, which is adopted and incorporated by Rule 61D-15.001, F.A.C.

(3) Failure to include the following information as required by Form DBPR PMW-3422, Slot Machine Certified Educational Facility License Application, which is adopted and incorporated by Rule 61D-15.001, F.A.C., shall constitute grounds to deny the incomplete license application:

(a) The name of the certified educational facility, including "doing business as" (d/b/a) names or fictitious names;

(b) The educational facility Federal Employer Identification Number or, for sole proprietors, a social security number;

(c) Whether the educational institution is a sole proprietorship, corporation or limited liability corporation, trust, partnership, estate or if not one of the foregoing, a description of the educational facility entities ownership and management structure shall be provided as an attachment to the application;

(d) Whether the applicant:

1. Has ever held a pari-mutuel occupational license in Florida;

2. Is certified by the Florida Department of Education to provide educational instruction within the state of Florida;

3. Seeking a one or three-year license;

(e) An indication of any slot machine licensed facilities in Florida at which the slot machine certified educational facility will conduct training or provide services.

(f) A check or money order for the applicable educational facility license fee of \$100 for one year and \$150 for a three year license.;

(g) The physical and mailing address(es), including the country if not the United States of America;

(h) Contact information for the resident representative to be primarily responsible for the facility and its security.

1. The name, title and Florida slot machine occupational license number of the primary contact person working for the educational facility; and

2. Primary telephone number and email address;

(i) A description of the educational courses or degrees the applicant intends to provide;

(j) The applicant shall submit a copy of its internal controls and security plan for division approval for its initial facility license and for each subsequent license renewal.

1. The approval of each document is a condition precedent to the issue of a facility

license;

2. Licensure determination shall not occur until the division accepts or rejects the original or modified internal controls and security plan;

(4) The license application shall be filed under oath by an officer, director or manager who is authorized by the applicant educational institution to bind the applicant to the representations made in the license application.

(5) If the applicant intends to claim any exemption from public records disclosure under Section 119.07, F.S., or any other exemption from public records disclosure provided by law, for any part of its application, it shall indicate in its application the specific sections for which it claims an exemption and the basis for the exemption.

(6) Each application shall be filed with the division's office located at 1940 North Monroe Street, Tallahassee, Florida 32399-1035.

(7) The division shall deny the application for a slot machine educational facility license if a review of the application or the investigation of the applicant and proposed facility site demonstrates any of the following:

(a) The applicant fails to provide any document required pursuant to Chapter 61D-14, F.A.C.;

(b) At least one of the applicant's instructors does not possess a current slot machine occupational license that:

1. Is in good standing at the time of application; and

2. Will be in effect for a minimum of one calendar year after the proposed date of issue of the certified educational facility license.

(c) The applicant failed to pay the required fees;

(d) The applicant is not an educational institution certified by the FDOE to provide educational instruction and training in the state of Florida;

1. The application shall be denied if the applicant is not certified at the time of making application for licensure;

2. A slot machine certified educational facility license shall be suspended or revoked if at any time during the period of licensure, the educational facility is suspended or removed from the list of educational facilities certified by the FDOE;

3. A slot machine certified educational facility license shall be suspended throughout the period of time that a slot machine certified educational facility is under suspension or similar disciplinary conditions imposed by the FDOE.

(e) The applicant has outstanding fines, or the applicant's license has been suspended or revoked for noncompliance with Chapter 551, Florida Statutes.;

(f) The applicant indicates that slot machine instruction and training operations shall be conducted in a manner that is not consistent with Chapter 551, F.S., or Chapter 61D-14, F.A.C.;

(g) The applicant failed to submit an internal control procedure in accordance with Rule 61D-14.200, F.A.C., or if an application for renewal the applicant fails to report any changes to the applicant's previously approved procedure or plan;

(h) The applicant failed to reveal any fact mandatory to the application for licensure, or has supplied information that is untrue or misleading as to a mandatory fact pertaining to the licensure criteria;

(i) The applicant's internal controls are not approved by the division pursuant to Rule 61D-14.200, F.A.C..

Specific Authority 551.103(1), 551.109(2), 551.122 FS. Law Implemented 551.103(1)(a), (b), 551.107(4)(a), 551.109(2)(a) FS. History—New 7-30-06.