

Notice of Proposed Rule

DEPARTMENT OF BUSINESS AND PROFESSIONAL REGULATION
Division of Pari-Mutuel Wagering

RULE NO: RULE TITLE

61D-14.075: Jackpot and Credit Meter Payouts Not Paid Directly From the Slot Machine

PURPOSE AND EFFECT: The purpose and effect of the proposed rule will be to implement and interpret Florida Statutes that relate to rules regulating the conduct of slot machine operations at pari-mutuel racing facilities.

SUMMARY: The rule has been substantially reworded to improve clarity and specifies procedures required to verify jackpot payouts and conditions under which jackpot payment of \$25,000 or more shall be paid.

SUMMARY OF STATEMENT OF ESTIMATED REGULATORY COSTS: No Statement of Estimated Regulatory Cost was prepared.

Any person who wishes to provide information regarding a statement of estimated regulatory costs, or provide a proposal for a lower cost regulatory alternative must do so in writing within 21 days of this notice.

SPECIFIC AUTHORITY: 551.103(1), 551.122 FS.LAW IMPLEMENTED: 551.103(1)(c), (d), (g), (i) FS.

IF REQUESTED WITHIN 21 DAYS OF THE DATE OF THIS NOTICE, A HEARING WILL BE HELD AT THE DATE, TIME AND PLACE SHOWN BELOW (IF NOT REQUESTED, THIS HEARING WILL NOT BE HELD):

DATE AND TIME: June 24, 2009, 9:00 a.m. – 5:00 p.m.

PLACE: Department of Business and Professional Regulation, Division of Pari-Mutuel Wagering, North Broward Regional Service Center, 1400 West Commercial Blvd., Suite 195, Ft. Lauderdale, Florida 33309

Pursuant to the provisions of the Americans with Disabilities Act, any person requiring special accommodations to participate in this workshop/meeting is asked to advise the agency at least 5 days before the workshop/meeting by contacting: Mary Polombo at (850)413-0750. If you are hearing or speech impaired, please contact the agency using the Florida Relay Service, 1(800)955-8771 (TDD) or 1(800)955-8770 (Voice).

THE PERSON TO BE CONTACTED REGARDING THE PROPOSED RULE IS: Mary Polombo, Clerk, Division of Pari-Mutuel Wagering, 1940 North Monroe Street, Tallahassee, Florida 32399-1035

THE FULL TEXT OF THE PROPOSED RULE IS:

(Substantial rewording of Rule 61D-14.075 follows. See Florida Administrative Code for present text.)

61D-14.075 ~~Jackpot and Credit Meter~~ Payouts Not Paid Directly From the Slot Machine.(1) A slot machine licensee employee shall complete a manual or system generated jackpot payout slip whenever a patron wins a jackpot that is not automatically paid directly from the slot machine.(2) Jackpot payout slips shall be:(a) Consecutively numbered;(b) Used in sequential order; and(c) Controlled as follows:1. Manual jackpot payout slips shall be consecutively prenumbered forms;2. Jackpot payout slips created by the facility based monitoring system shall be printed with consecutive numbering;3. Employees not assigned to duties in either the cashier's cage or the slot department shall document each series of jackpot payout slips the slot machine licensee receives;4. All void original and duplicate jackpot payout slips shall be:a. Marked "void"; andb. Signed by the preparer and a slot attendant or supervisor.(3) Each series of manual jackpot payout slips shall be a three-part form that is:(a) Inserted in a locked jackpot payout dispenser system. The jackpot payout dispenser system shall:1. Permit all three parts of individual jackpot payout slips in the series to be written upon simultaneously while still in the dispenser; and2. Discharge the original and duplicate jackpot payout slips while the triplicate jackpot payout slip remains in a continuous unbroken form in the jackpot payout dispenser system;

- (b) Maintained so that only those employees identified in subparagraph (2)(c)3. of this rule:
 1. Control and account for the unused supply of jackpot payout slips;
 2. Place all jackpot payout slips in the locked jackpot payout dispenser system;
 3. Remove the triplicate copies of those jackpot payout slips issued from the locked jackpot payout dispenser system; and
 4. Control access to the triplicate copy of the jackpot payout slips at all times.
- (4) Each series of computer prepared jackpot payout slips shall be a two-part form that is:
 - (a) Inserted in a printer and printed simultaneously in original and duplicate; and
 - (b) Printed from information that is securely stored in the facility based monitoring system and cannot be altered or removed after the jackpot payout slip is printed.
- (5) The following information shall be included on every jackpot payout slip and in all jackpot payout slip stored data:
 - (a) The asset number of the slot machine on which the jackpot was registered;
 - (b) The total amount of the jackpot;
 - (c) The winning combination of reel characters constituting the jackpot;
 - (d) The date and time the jackpot occurred;
 - (e) The amount to be paid from the cashier's cage; and
 - (f) The time of preparation of the jackpot payout form.
- (6) For all jackpots equal to or in excess of \$10,000, the slot machine licensee shall disburse payment only from the cashier's cage directly to:
 1. The patron; or
 2. A slot machine licensee employee assigned to a supervisor's position who shall transport the winnings from the cashier's cage directly to the patron.
- (7) Certification of the accuracy of the information contained on the original and duplicate of the jackpot payout slip shall be provided by:
 - (a) The cashier/slot personnel who prepared the jackpot payout slip and a slot supervisor who observed the reel characters of the slot machine who shall sign the jackpot payout form; and
 - (b) Where the jackpot is equal to or in excess of \$10,000, a manager and a member of the security department who shall also sign the jackpot payout form in addition to the signatures required under paragraph (7)(a).
- (8) The original jackpot payout slip shall be forwarded to the accounting department for:
 - (a) Reconciliation with:
 1. The triplicate of the manual jackpot payout slip; or
 2. The data stored on the facility based monitoring system for all computer prepared jackpot payout slips;
 - (b) Recording on the slot win sheet;
 - (c) Reconciliation with the meter reading recorded on the slot meter sheet.
- (9) Prior to payment of a slot jackpot of \$25,000 or more, the slot machine licensee shall conduct a verification check of the game. The game verification check shall:
 - (a) Be completed by two slot machine licensee employees, at least one of whom shall be in a supervisor's position. The two slot machine licensee employees shall be:
 1. In possession of a valid slot machine occupational license issued by the state; and
 2. Assigned to different departments.
 - (b) Confirm the condition of the division security tape on the slot machine involved in the jackpot.
 1. If the division security tape is not broken, the slot machine licensee shall complete its payment procedure as outlined in its internal control procedures.
 2. If the division security tape is found to have been broken or tampered with, the following shall be accomplished:
 - a. The slot machine licensee shall notify the surveillance department to provide coverage of the slot machine area involved; remove the designated slot machine involved in the jackpot from play; retain all surveillance records regarding the designated slot machine; notify FDLE of the jackpot and broken or tampered division security tape; and secure the designated slot machine until such time as the FDLE investigator may make a determination regarding the jackpot;
 - b. An FDLE and division representative shall conduct an investigation, including a verification check of game-related storage media and obtain confirmation that all documents are complete and legible;
 - c. 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
 - d. If the test results from the verification device reflect that:
 - (I) The program in the slot machine is an authorized version for play in the State of Florida, the slot machine

licensee shall proceed with its jackpot payout procedures as outlined in its internal control procedures; or
(II) The program in the slot machine is not an authorized version for play in the State of Florida, the jackpot shall be held in abeyance for further investigation.

e. If a jackpot is held in abeyance for further investigation, the designated slot machine and all jackpot records and surveillance information shall be retained until an investigation is completed. A jackpot payment decision shall be made based upon the outcome of the investigation.

(10) The accounting department shall verify that all jackpot payouts are in compliance with Chapter 61D-14, F.A.C.

(11) When a non-cash prize is offered as a slot machine jackpot or payout for winnings, the slot machine licensee shall:

(a) Make an equivalent cash option available to the patron.

(b) Use the amount of the equivalent cash option in calculation of slot machine revenues.

(c) Include all details of each cash/prize jackpot option transaction on Form DBPR PMW-3680, Slot Jackpot Prize/Cash Option Report, which is adopted and incorporated by Rule 61D-15.001, F.A.C.

Rulemaking Specific Authority 551.103(1), 551.122 FS. Law Implemented 551.103(1)(c), (d), (g), (i) FS. History--New 6-25-06, Amended _____.

NAME OF PERSON ORIGINATING PROPOSED RULE: David J. Roberts, Director, Division of Pari-Mutuel Wagering

NAME OF AGENCY HEAD WHO APPROVED THE PROPOSED RULE: Charles W. Drago, Secretary, Department of Business and Professional Regulation

DATE PROPOSED RULE APPROVED BY AGENCY HEAD: May 5, 2009

DATE NOTICE OF PROPOSED RULE DEVELOPMENT PUBLISHED IN FAW: March 16, 2007