

Notice of Proposed Rule

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

RULE NO: RULE TITLE

[61D-14.096](#): Requirement for Shipment of All Slot Machines and Slot Machine Components[61D-14.097](#): Responsibility for Control of Slot Machine or Slot Machine Component Shipment[61D-14.098](#): Slot Machine Seal

PURPOSE AND EFFECT: The purpose and effect of the proposed rules 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: Rule 61D-14.096, F.A.C., specifies the slot machine licensee's responsibility for the shipment of slot machines into, out of and within the state; Rule 61D-14.097, F.A.C., specifies requirements imposed on all slot machine licensees for control of slot machines they ship from their facilities; and Rule 61D-14.098, F.A.C., specifies the use of regulatory seals uniquely identifying slot machines that have been properly shipped into and received in the state.

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\(1\)](#), [551.109\(2\)\(a\)](#), (b), [551.122 FS](#).LAW IMPLEMENTED: [551.103\(1\)\(c\)](#), (e), (i), [551.109\(2\)\(a\)](#), (b) 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:

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, F.S., 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 Application 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 paragraphs (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 package, 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 at 1400 W. Commercial Blvd., Ft. Lauderdale, FL 33309, 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.

Rulemaking 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 subsection 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 subsection 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.; and

(d) Obtain approval of changes to a floor plan pursuant to Rule 61D-14.050, F.A.C., in those cases where an approved floor plan exists or is required at the entity's location.

(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-14.050, 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 subsection 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, F.S.

(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.;

(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; and

(e) Obtain required approval of any floor plan changes necessary pursuant to Rule 61D-14.050, 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 subsection 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, F.S., 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 the 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 ten 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 subsection 61D-14.098(2), F.A.C.

(e) Obtain any required approval of any floor plan changes necessary pursuant to Rule 61D-14.050, F.A.C., in those cases where an approved floor plan exists at the entity's location; and

(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.

Rulemaking 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:

a. A slot machine is removed from the slot machine licensee's gaming area; or

b. 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;

(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.

Rulemaking Authority 551.103(1), 551.122 FS. Law Implemented 551.103(1)(c), (e), (i) FS. History--New _____.

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