



FLORIDA LOTTERY RETAILER RULES

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53ER05-9 Retailer Application and Fee Schedule

- (1) New Applicants.
 - (a) Any person interested in contracting with the Lottery as a retailer shall file Form DOL-129, Retailer Application; or Form DOL-129-1, Retailer Application in Spanish; or Form DOL-129C, Chain Account Retailer Application, as applicable.
 - (b) For the initial sales location, each applicant shall submit a fee of \$100.00 along with the appropriate retailer application set forth in paragraph (a), above.
 - (c) An application for an additional location must be submitted to the Lottery on Form DOL-129, DOL-129-1, DOL-129C, or Form DOL-129CA, Chain Account Retailer Additional Store Application, as applicable, and must be accompanied by a fee of \$25.00 for each additional location.
 - (d) Each applicant shall be subject to a background investigation, and fingerprinting may be required.
 - (e) Organizations which are publicly traded on a national securities exchange must submit the following:
 1. Form DOL-129C, including Section 4 entitled "Information on Publicly Traded Organizations;" and
 2. Form DOL-374, Affidavit. Form DOL-374 will be provided to the applicant during the application process and must be completed by a corporate officer or legal counsel to state whether the corporation, any of its executive officers or its chairperson has been convicted of, or entered a plea of guilty or nolo contendere to, a felony committed in the preceding ten years, regardless of adjudication.
 - (f) Organizations which are not publicly traded on a national securities exchange shall be subject to the background investigation provisions set forth in accordance with rules of the Florida Lottery governing retailer applicant background investigations. A copy of the current rule can be obtained from the Florida Lottery, Office of the General Counsel, 250 Marriott Drive, Tallahassee, Florida 32399-4011.
- (2) Renewal Application.

Retailer contracts shall be renewed by execution of a new retailer contract. Prior to the expiration of a retailer contract, a retailer shall submit Form DOL 307, Application for Contract Renewal, or Form DOL-320, Application for Chain Account Contract Renewal, and a new retailer contract signed by the retailer, along with a fee of \$10.00 per location and \$25.00 for each new officer, director, or shareholder of the corporation since the last application. Renewal applicants shall be subject to a background investigation and fingerprinting may be required.
- (3) Change of Location.

An application to change a location must be submitted to the Lottery at least thirty days in advance of the change, on Form DOL-129, DOL-129-1, or DOL-129C, as applicable, and must be accompanied by a fee of \$10.00.
- (4) All application fees shall be non-refundable unless the initial application is denied because the applicant or the location fails the Lottery's marketing evaluation, in which case the application fee for that location shall be refunded to the applicant.
- (5) Applications and subsequent contracts, if any, are not assignable or transferable to any person or entity.
- (6) Any department, commission, agency, or instrument of the state, or its subdivisions, or any municipality or county, that seeks a contract as a retailer shall bear the burden of securing approval of any other person, board, commission, agent, or instrumentality of the state, or its

subdivisions, or municipality or county, which may have controlling authority over the applicant.

- (7) The following forms are incorporated herein by reference and may be obtained by writing to the Department of the Lottery, Retailer Contracting, 250 Marriott Drive, Tallahassee, Florida 32399-4001:

Form DOL-129, Retailer Application, revised 11/03,

Form DOL-129-1, Retailer Application in Spanish, revised 5/04,

Form DOL-129C, Chain Account Retailer Application, revised 11/03,

Form DOL-129CA, Chain Account Retailer Additional Store Application, revised 11/03,

Form DOL-374, Affidavit, revised 9/12/01,

Form DOL-307, Application for Contract Renewal, revised 11/03, and

Form DOL-320, Application for Chain Account Contract Renewal, revised 11/04.

Forms DOL-129, DOL-129-1, DOL-129C, and DOL 129CA may also be obtained from the Lottery's website at www.flalottery.com.

- (8) This emergency rule replaces Emergency Rules 53ER01-3, and 53ERO4-81, Florida Administrative Code.

Specific Authority 24.109(1), 24.112(1) FS. Law Implemented 24.112 FS. History--New 1-31-05 Replaces 53ER01-3 and 53ER04-81.

53ER05-10 Retailer Applicant Background Investigation

- (1) Organizations that are publicly traded on a national securities exchange shall be required to submit the forms set forth in the rule governing retailer application and fee schedule. A copy of the current rule can be obtained from the Florida Lottery, Office of the General Counsel, 250 Marriott Drive, Tallahassee, Florida 32399-4011. Investigation of any such organization shall include review of its business credit report, financial statements, criminal history checks, and review of its Lottery payment history, if any.
- (2) The investigation by the Lottery of the owners, partners, corporate officers, directors and shareholders of organizations which are not publicly traded on a national securities exchange shall include the following:
- (a) A sole proprietor's consumer credit history, criminal history and Lottery payment history, if any;
- (b) A partner's consumer credit history, criminal history and Lottery payment history, if any;
- (c) For limited partnerships and limited liability companies, the names of the general partner and any limited partner with ten percent (10%) or more interest in the business must be disclosed. These individuals will be investigated in the following areas:
1. Consumer credit history, if business credit information is unavailable or inconclusive;
 2. Criminal history;
 3. Lottery payment history, if any;
- (d) For corporations, the names of all corporate officers (except assistant secretaries), directors, and shareholders of ten percent (10%) or more interest in the business must be disclosed. These individuals will be investigated in the following areas:
1. Consumer credit history, if business credit information is unavailable or inconclusive;
 2. Criminal history;
 3. Lottery payment history, if any.
- (3) This emergency rule replaces Emergency Rules 53ER97-42 and 53ER04-80, Florida Administrative Code.

Specific Authority 24.109(1), 24.112(1)) FS. Law Implemented 24.112(2) FS. History--New 1-31-05 Replaces 53ER97-42 and 53ER04-80.

53ER05-11 Granting Retailer Contracts and Certificates of Authority

- (1) Retailer contracts shall authorize the sale of lottery tickets.
- (2) Retailer contracts shall have a term of four years and shall be renewable upon successful completion of the renewal process. Renewed retailer contracts shall be executed prior to the expiration of an existing contract. If a renewal contract is not executed prior to expiration of the current contract, the retailer's on-line and instant ticket sales and terminal activity shall be immediately terminated.
- (3) Following complete execution of the retailer contract, the Lottery shall issue a Certificate of Authority, DOL-130, revised 1/99 and incorporated herein by reference, to each retailer for purposes of display. This form may be obtained from the Lottery, Retailer Contracting, 250 Marriott Drive, Tallahassee, Florida 32399-4001. The Certificate of Authority shall bear the name of the contracted retailer and the address of the contracted premises. The Certificate of Authority shall be posted in a conspicuous location on the premises accessible to the public.
- (4) The Lottery is authorized to provide a temporary Certificate of Authority to a contracted retailer for the sale of Lottery tickets at special events. Special events are public activities throughout the State of Florida, such as fairs, festivals, concerts and sporting events, in which the Florida Lottery participates as a sponsor.
- (5) This emergency rule replaces Emergency Rules 53ER94-59 and 53ER04-75 Florida Administrative Code.

Specific Authority 24.109(1), 24.112(1) FS. Law Implemented 24.112 FS. History--New 1-31-05 Replaces 53ER94-59 and 53ER04-75.

53ER05-12 Change in Retailer Ownership

- (1) No Certificate of Authority or retailer contract is assignable or transferable between persons or locations.
- (2) To avoid an interruption or termination of lottery ticket sales, any change in ownership of a retailer's place of business shall be preceded by the filing and approval of a Retailer Application as provided in accordance with rules of the Florida Lottery governing retailer applications, and the issuance of a new Certificate of Authority. A copy of the current rule governing retailer applications can be obtained from the Florida Lottery, Office of the General Counsel, 250 Marriott Drive, Tallahassee, Florida 32399-4011.
- (3) Any of the following will be considered a change of ownership:
 - (a) Sale of the business;
 - (b) Change in the form of ownership of the business;
 - (c) Change of general partners in a limited or general partnership; or
 - (d) Death of a sole proprietor.
- (4) A retailer shall notify the Lottery immediately of the occurrence or pending occurrence of any of the change of ownership conditions listed in the preceding subsection and shall immediately notify the Lottery of a filing for bankruptcy by the retailer or any person listed on the retailer's application.
- (5) A retailer that is a corporation shall immediately notify the Lottery of any change of managing officers or directors and of transfers of 10 percent or more of its corporate stock. Notification shall be given by filing a retailer application and following the procedures set

out in accordance with rules of the Florida Lottery governing retailer applications. If as a result of its investigation the Lottery determines that any new officer, director or shareholder of 10 percent or more of the corporate stock would have caused the initial retailer application to be denied, the retailer will be given an opportunity to sever its relationship with the officer, director or shareholder. If the retailer does not sever the relationship, the Lottery shall terminate the retailer contract. A non-refundable background investigation fee of \$25 per person investigated shall accompany the notice of change by the retailer.

- (6) This emergency rule replaces Emergency Rules 53ER00-21 and 53ER04-74, Florida Administrative Code.

Specific Authority 24.109(1), 24.112(1) FS. Law Implemented 24.112 FS. History--New 1-31-05 Replaces 53ER00-21 and 53ER04-74.

53ER07-15 Suspension and Termination of Retailer Contract

- (1) A retailer contract can be terminated by the retailer at any time upon written notice to the Lottery.
- (2) The Lottery will review a retailer's contract and any later-filed application for a new contract, if the retailer has failed to comply with the terms of the current or former retailer contract, or under any of the circumstances listed below, and, based upon the findings of its review, will determine whether to suspend or terminate the current contract or reject the later-filed application.
 - (a) Retailer has provided false or misleading information in obtaining or attempting to obtain a retailer contract and Certificate of Authority.
 - (b) Retailer has been convicted of, or has entered a plea of guilty or nolo contendere, regardless of adjudication, to an offense punishable as a felony; or has been convicted of, or has entered a plea of guilty or nolo contendere, regardless of adjudication, to any gambling-related offense.
 - (c) Retailer has outstanding tax delinquencies owed to the federal government or any taxing authority within the State of Florida.
 - (d) Retailer has jeopardized the integrity, security or efficient operation of the Lottery.
 - (e) The ownership or location of the business has changed.
 - (f) Retailer has failed to accurately account for lottery tickets, revenues or prizes as required by the Lottery.
 - (g) Retailer has failed to remit or is delinquent in remitting money owed to the Lottery.
 - (h) Retailer has committed any fraud, deceit or misrepresentation to the Lottery or to any individual purchasing a lottery ticket or tickets from Retailer.
 - (i) Retailer has sold a lottery ticket or paid a prize to any person under eighteen (18) years of age.
 - (j) Retailer has sold a lottery ticket at any place other than the place authorized in its Certificate of Authority.
 - (k) Retailer has not prominently displayed its Certificate of Authority at the approved sales location.
 - (l) Retailer has not prominently displayed and maintained ticket displays/dispensers and point-of-sale materials provided by the Lottery.
 - (m) Retailer has not made point-of-sale information for lottery products accessible to the public.
 - (n) Retailer has sold tickets at a price other than established by the Lottery.
 - (o) Retailer has violated any rule or regulation promulgated by the Lottery.
 - (p) Retailer has violated any directive or instruction issued by the Lottery.
 - (q) Retailer has violated any provision of Chapter 24, Florida Statutes.

- (r) Retailer's reputation is no longer consistent with the protection of the public interest.
 - (s) Retailer has materially changed any factor considered by the Lottery in selecting the retailer.
 - (t) Retailer has engaged in conduct prejudicial to public confidence in the Lottery.
 - (u) Retailer has exchanged a book(s), ticket(s), or ticket stock with another retailer or location.
 - (v) Retailer has purchased a book(s) or ticket(s) from another lottery retailer for resale.
 - (w) Retailer has charged a fee to redeem a lottery ticket or has required a customer to purchase another item in order to purchase a lottery ticket.
 - (x) Retailer has paid a prize of \$600 or more.
 - (y) Retailer has violated the Lottery's ethics rules or policies.
- (3) The Lottery will review the retailer contract of the retailer with the lowest average weekly ticket sales of all Lottery retailers statewide who have been active for at least 26 weeks upon receipt of a retailer application from a business whose sales are projected to exceed the weekly sales average of the retailer that is under review and will terminate such retailer contract, subject to considerations of public convenience (whether the retailer is in a remote location or whether there are other retailers available within a reasonable distance); whether there are extenuating circumstances that have adversely impacted sales volume (for example, the retailer's business is seasonal; road construction has caused a temporary decrease in normal sales volume; or other factors that are temporary in nature); the impact, if any, on the status of a corporate or chain (multi-location) retailer if a terminal is removed from one of the retailer's locations; and the impact, if any, on the overall level of participation of minority businesses as Lottery retailers.
 - (4) If a retailer possesses multiple locations, restriction, suspension or termination of one (1) location is grounds for restriction, suspension or termination of the others.
 - (5) The Lottery will review a retailer contract for immediate suspension without prior notice if the Lottery determines that immediate suspension is necessary to ensure the integrity, security, honesty, or fairness of the operation of the Lottery. Reasons that would result in such a determination include, for example, circumstances in which the retailer intentionally fails to tender a ticket or coupon to the player.
 - (6) The Lottery will review a retailer contract for temporary suspension if the Lottery determines that the retailer, or any of its officers, directors, or employees has been arrested for any violation of law occurring on the retail premises, such as dealing in stolen property, unlawful sale of controlled substances, or maintaining a nuisance.
 - (7) A retailer whose contract has been terminated for the reasons set forth in paragraph (2)(b) above is prohibited from reapplying for a retailer contract for a period of one (1) year from the date of conviction or entry of plea and any application received during this time period will be rejected. In reviewing any subsequent application from such a retailer, the Lottery will consider the following factors:
 - (a) Whether the retailer has been pardoned or had his civil rights restored; and
 - (b) Whether, subsequent to such conviction or plea, the retailer has engaged in the kind of law-abiding commerce and good citizenship that would reflect well upon the integrity of the Lottery. Examples of such conduct would include sustained active involvement in community service organizations or activities; and sustained active involvement in professional or trade associations. To be considered by the Lottery, such law-abiding commerce and good citizenship must be of sufficient duration and degree as to offset any negative effects on the retailer's reputation and, by association, the Lottery's reputation. Under this paragraph, the burden shall be on the retailer to prove to the satisfaction of the Lottery that the retailer has engaged in the kind of law-abiding commerce and good citizenship that would reflect well upon the integrity of the Lottery; and

- (c) Whether, if the retailer is a firm, association, partnership, trust, corporation or other entity, the retailer has terminated its relationship with the person whose actions directly contributed to the conviction or plea.
- (8) A retailer's sole remedy following termination or suspension of its retailer contract is by such civil action as may be appropriate.
- Specific Authority 24.109(1) 24.112(1) FS. Law Implemented 24.112(5) FS. History--New 3-16-07 Replaces 53ER06-24.

53ER08-43 Lost, Stolen or Damaged Instant Lottery Tickets

- (1) Reporting Requirement.
- (a) Upon the theft, loss, or damage of instant lottery tickets the retailer shall immediately report the incident to the Lottery Division of Security at (850) 487-7752.
- (b) For purposes of this rule, tickets that have latex removed or that have been “scratched” are not considered “damaged tickets” and shall not be accepted for retailer account adjustment.
- (2) Inactive Tickets.
- If tickets from a book are lost, stolen or damaged before the book has been activated, the retailer will be charged a service fee equal to fifty percent (50%) of the value of the book, less sales commission, except as follows:
- (a) If the retailer provides the Lottery with a copy of a police report reporting the theft of tickets, the retailer shall be charged a non-refundable service fee of five dollars (\$5.00) for each book reported stolen.
- (b) The retailer will not be charged a service fee for books missing from a shipment provided the retailer reports the books as missing to the Lottery within seven (7) days of receipt of the shipment.
- (c) A retailer will not be charged a service fee for books damaged by the vendor provided such damage is reported to the Lottery within seven (7) days of receipt of the shipment containing the damaged books.
- (3) Active Tickets.
- If tickets from a book are lost, stolen or damaged after the book has been activated, the retailer shall be charged the retail value of the book of tickets multiplied by the percentage of low-tier winning tickets redeemed as of the date the book is reported lost, stolen or damaged, less the retailer’s sales commission(s).
- (4) Settled Tickets.
- If a retailer settles a book of active tickets and subsequently reports unsold tickets as lost, stolen or damaged, the retailer will be credited an amount equal to the retail value of the book less the amount calculated as set forth in subsection (3) above.
- (5) The retailer shall return to the Lottery tickets recovered by the retailer subsequent to the tickets being reported lost, stolen or damaged.
- (6) Payment for Tickets.
- Accounting for lost, stolen or damaged tickets will be reflected on the retailer’s weekly Settlement Report, as follows:
- (a) The amount due the Lottery for the active books will be included with the book sales value.
- (b) The amount due the Lottery for the inactive books will be reflected as an adjustment. No adjustment will be made to the retailer’s account upon return to the Lottery of active lost, stolen or damaged tickets recovered by the retailer subsequent to the tickets being reported lost, stolen or damaged.

- (7) In the event books of tickets are lost, stolen or damaged for reasons arising out of force majeure, the Florida Lottery reserves the right to waive the assessment of charges under this rule. In determining whether to waive an assessment, the Lottery will consider factors such as the number of previous occurrences of lost, stolen or damaged tickets by the retailer in question, if any; whether the retailer had taken precautions to prevent the occurrence of lost, stolen or damaged tickets; and whether the retailer had implemented loss prevention recommendations made by the Lottery prior to the occurrence of lost, stolen or damaged tickets. As used herein, "force majeure" shall include acts of God, action of the elements, fire, explosion, rationing, war, civil disturbance, or other similar occurrences.
- (8) This emergency rule replaces Emergency Rule 53ER07-16, Florida Administrative Code, effective July 1, 2008.

Specific Authority 24.109(1), 24.105(9)(j), 24.112(1) FS. Law Implemented 24.112, 24.114 FS.
History--New 7-1-08, Replaces 53ER07-16.

53ER09-15 Retailer Accountability

- (1) Ticket Accountability.
- (a) Each retailer shall be accountable for all instant tickets received, all on-line tickets generated and all funds received by the retailer.
- (b) Retailers shall receive books of tickets for sale on a consignment basis in accordance with the Lottery's inventory management system.
- (c) Each retailer is liable to the Lottery for any and all tickets accepted or generated by any employee or representative of that retailer, less cancelled on-line tickets and tickets returned for adjustment credit in accordance with subsection (1)(d) or (e) below. Scratch-off tickets shall be deemed to have been purchased by the retailer unless returned to the Lottery by the official end of game date.
- (d) On-line tickets may be returned to the Lottery for adjustment credit under the following circumstances:
1. The ticket did not print and the transaction is marked with an asterisk (*) on the Transaction History Report; or
 2. The ticket misprints or is miscut and the dollar amount is visible, provided the Transaction History Report or ticket is returned to the Lottery within thirty (30) days of the transaction date.
- (e) To receive adjustment credit under the following circumstances, the retailer must contact the Lottery within two (2) hours of the sale, before the game closes for the next available draw or before the end of the gaming day, whichever occurs first:
1. The ticket did not print and the transaction is NOT marked with an asterisk (*) on the Transaction History Report;
 2. The ticket misprints or is miscut and the dollar amount is NOT visible; or
 3. The ticket cannot be canceled by the terminal but nothing appears to be wrong with the ticket.
- The retailer also must return the Transaction History Report or ticket to the Lottery within thirty (30) days of the transaction date.
- (f) The Lottery will approve adjustment credit requests submitted outside the reporting window for ticket transactions that occur during a documented system failure that impacts network communications and that is outside the retailer's control.
- (g) Tickets submitted to the Florida Lottery for adjustment credit shall become the property of the Florida Lottery and shall not be returned to the retailer.

- (h) Books of tickets received by a retailer on consignment shall be settled for payment by one of the following three methods:
 - 1. Settlement by the retailer;
 - 2. Automatic settlement by the Lottery ninety (90) days after a book has been activated for sale or after ninety percent (90%) of low-tier prizes have been redeemed, whichever occurs first; or
 - 3. Settlement of books no longer in the retailer's onsite inventory by a Lottery representative during inventory management.
 - (i) A complete inventory of scratch-off ticket stock will be conducted by a Lottery representative at least once per quarter. During such inventory, books in "received" status that are not physically present at the retail location will be reported as missing and the retailer will be charged fifty percent (50%) of the value of the book, less sales commission. Books in "active" status that are not physically present at the location will be settled.
- (2) Financial Accountability.
- (a) Each retailer shall maintain a commercial checking bank account for all amounts collected from ticket sales until such amounts have been collected by the Lottery. All amounts received by each retailer from the operation of the Lottery, less the amount retained as compensation for the sale of tickets and the amount paid out as prizes, shall be held in a bank account prior to collection by the Lottery on the designated day of collection.
 - (b) The amount owed by a retailer to the Lottery will be electronically transferred from the retailer's bank account to the Lottery on a designated day each week. If the transfer is unsuccessful due to insufficient funds, a second attempt will automatically be made.
 - (c) A retailer is authorized to use its business commercial operating bank account or a separate commercial bank account for lottery purposes.
 - (d) A retailer shall notify the Lottery of a change in its bank account at least fifteen (15) days in advance of such change becoming effective.
 - (e) A retailer shall maintain its bank account for thirty (30) days after the termination date of its retailer contract.
 - (f) Each retailer shall complete and return to the Lottery at the time of application or in advance of a bank account change form DOL-103, Electronic Fund Transfer Authorization, revised 6/08. Form DOL-103 is incorporated herein by reference and may be obtained by writing to the Florida Lottery, Retailer Contracting, 250 Marriott Drive, Tallahassee, Florida 32399-4001. The form authorizes the Lottery to debit or credit the retailer's bank account through electronic funds transfers.
 - (g) The following procedures apply to Electronic Funds Transfer (EFT) delinquencies:
 - 1. For purposes of this rule, an Electronic Funds Transfer delinquency is defined as an unsuccessful attempt to electronically transfer funds from a retailer's bank account to the Lottery in payment of the retailer's weekly settlement activity. If both the first and second weekly attempts to transfer funds fail, the failures together shall count as only one delinquency.
 - 2. For all delinquencies that occur in a twelve-month period, the retailer's ability to sell on-line lottery tickets and order instant tickets shall be suspended.
 - 3. For a first or second delinquency in a twelve-month period, the retailer shall be required to pay the delinquency in full plus applicable service charges prior to reactivation of its ability to sell on-line lottery tickets and order instant tickets. Upon the occurrence of a second delinquency, the automatic book settlement period established in section (1)(h) above will be shortened to sixty (60) days for a minimum of six (6) months. The retailer's

collection activity will be reviewed during the first January or July occurring after the expiration of six months from the date of delinquency. If the retailer has incurred no additional delinquencies during that time, the automatic book settlement period will be returned to ninety (90) days. If the retailer incurs additional delinquencies while in the 60 day settlement period and the retailer's contract is not terminated, the 60-day book settlement period will remain in effect, and the retailer's account will be reviewed at the next scheduled review period.

4. For a third delinquency in a twelve-month period, the retailer shall be required to pay the delinquency in full plus applicable service charges and post a certificate of deposit or performance bond with the Florida Lottery prior to reactivation of its ability to sell on-line lottery tickets and order instant tickets. The amount of the security shall not exceed twice the retailer's average weekly ticket sales as determined by the Lottery.
5. For a fourth delinquency in a twelve-month period, a review of the retailer account will be performed by the Lottery to determine if the retailer's contract will be terminated. In making its determination, the Lottery will review factors such as the retailer's Lottery accounts receivable transactions and Lottery sales history. If the retailer contract is not terminated and the amount of the retailer's posted security is less than the statutorily authorized maximum of twice the retailer's average weekly ticket sales, the Lottery will increase the amount of the required security to the maximum amount.
6. The Lottery is authorized to terminate a retailer's contract prior to a fourth delinquency in a twelve-month period if the Lottery determines that such action is necessary in order to protect the state's financial interests.
7. For purposes of calculating the number of delinquencies occurring in a twelve-month period, an unsuccessful transfer on the first weekly attempt will not be counted as a separate delinquency if the transfer on the second weekly attempt is successful.
8. For each delinquency, the retailer shall be assessed a non-refundable service charge of fifteen dollars per incident or five percent of the amount due per incident, whichever is greater, up to a maximum of one hundred-fifty dollars. The Lottery will assess only one service fee to retailer chain accounts that use the same bank account for all stores. The assessed fee shall be five percent of the total amount due for all locations up to a maximum of one hundred-fifty dollars. Payment of the delinquent settlement amount and any applicable service charges is due immediately from the retailer and prior to on-line sales and the ability to order instant tickets being reinstated.
9. An unsuccessful transfer on the first weekly attempt will not result in assessment of a service charge if the second weekly attempt is successful. Only one service charge will be assessed if both the first and second attempts are unsuccessful.
10. If the Lottery determines that it is in its best financial interest, taking into consideration factors such as the amount of the delinquency and the length of time the delinquency and/or service charges are outstanding, the Lottery district office will be instructed to settle the sold instant tickets and pick up any remaining instant ticket inventory. A retailer's access to computerized Lottery transactions will be limited to redeeming winning tickets and printing reports until Lottery Headquarters has received notification of payment in full.
11. To satisfy an EFT delinquency, the retailer may:
 - a. deposit a Cashier's check or money order made payable to the Florida Lottery into a specified Lottery bank account;
 - b. wire transfer the funds into a specified Lottery bank account; or
 - c. deliver a Cashier's check or money order to a Lottery office.

12. The Lottery will accept a prepayment for the settlement amount if the prepayment is received by the Lottery prior to 5:00 p.m., Eastern Time, on the day before the EFT would normally occur. A service charge will not be applied to the first three (3) prepayments made by a retailer in a twelve-month period, nor will the first three (3) prepayments be counted as a delinquency against the retailer; however, retailers who make more than three (3) prepayments in a twelve-month period will be assessed a service charge as described in paragraph (2)(g)(8) above for each additional prepayment. The Lottery will waive the service charge upon a showing of good cause by a retailer, e.g. the circumstances necessitating prepayment are attributable to the retailer's bank or to the Lottery. Failure by the Lottery to impose a service charge does not constitute a waiver of its right to impose a service charge for any subsequent prepayment.

13. The Lottery will actively pursue collection of all delinquencies that are not paid through the process described above.

(3) This emergency rule shall become effective on April 1, 2009.

Rulemaking Authority 24.109(1), 24.112(1) FS. Law Implemented 24.112(1),(11), 24.114 FS. History--New 4-1-09, Replaces 53ER08-78.

53ER05-15 Sale of Tickets

- (1) Retailers are prohibited from selling lottery tickets to anyone under the age of eighteen (18).
- (2) Retailers shall sell lottery tickets during the retailer's normal business hours.
- (3) Retailers shall sell only Florida Lottery tickets and no other state or national lottery tickets, except as may be expressly authorized by the Lottery.
- (4) Retailers may not sell tickets at any price other than that established by the Lottery.
- (5) No person or entity other than the Lottery, a contracted Lottery retailer or a retailer's authorized agent or employee acting on behalf of the retailer may sell lottery tickets.
- (6) Without prior Lottery approval, a retailer shall not accept tickets to be sold from anyone except an authorized Lottery representative.
- (7) All ticket sales shall be final, except that a retailer shall make a good faith effort to cancel an on-line ticket upon the request of a player if the request is made within the cancellation period established by the Lottery. A retailer is not required to cancel an on-line ticket produced upon request of the player by the quick pick method of number selection.
- (8) Each book of instant tickets shall be activated prior to any tickets from the book being sold.
- (9) Instant tickets for a particular game shall not be sold after the announced official end of game date of the respective instant game.
- (10) On-line tickets shall not be sold after the drawing for which they were designated.
- (11) A retailer shall sell lottery tickets only at the location stated on its Certificate of Authority.
- (12) This emergency rule replaces Emergency Rules 53ER94-26 and 54ER04-83, Florida Administrative Code.

Specific Authority 24.109(1), 24.112(1), 24.105(9)(h) FS. Law Implemented 24.112(7), 24.105(9)(h) FS. History--New 1-31-05 Replaces 53ER94-26 and 53ER04-83.

53ER05-20 Payment of Prizes by Retailers

- (1) A retailer shall pay all winning lottery tickets valued at less than \$600 that are validated through the retailer's terminal.
- (2) A retailer shall ensure that sufficient funds are available by cash, check, or money order before validating any ticket to pay a prize.

- (3) A player who submits a ticket valued at less than \$600 to the Florida Lottery for payment that has been validated by a retailer will be instructed to return to the same retailer to receive payment. In such case, the Lottery will return the validated ticket to the player.
- (4) A retailer shall pay any winning ticket of \$50 or less in cash unless:
 - (a) It is impossible or impracticable to do so due to a company or store policy that for safety or security reasons, limits the amount of cash available to the clerk; or
 - (b) It is impossible or impracticable to do so due to an applicable local government ordinance that limits the amount of cash available to the clerk. In such event, the retailer shall pay as much in cash as is possible and the remainder by check or money order.
- (5) A retailer shall pay any winning ticket exceeding \$50 but less than \$600 by cash, check, or money order.
- (6) If a retailer validates a ticket valued at \$600 or more, the retailer shall provide the player with the original ticket, the continuation ticket, if one was issued, and the player claim instructions ticket produced by the retailer terminal. The retailer shall instruct the claimant to complete and submit to the Florida Lottery a Winner Claim Form DOL 173-2, revised 10/03, or Spanish Winner Claim Form DOL 173-S, revised 10/03, incorporated herein by reference, for prizes of \$600 or more or when any dispute arises regarding the amount or validity of an apparent winning ticket or when an apparent winning ticket will not validate using the terminal. Forms may be obtained at any Lottery district office or retailer, from the Lottery's website at www.flalottery.com, or by writing the Florida Lottery, Public Information, 250 Marriott Drive, Tallahassee, Florida 32399-4016.
- (7) A retailer shall be held responsible for and will not receive credit for any prize paid for a ticket that was not a winner or that was recorded in the gaming system as paid by another retailer.
- (8) A retailer shall not pay any winning ticket of \$600 or more. A retailer who violates this subsection and fails to furnish to the Lottery the complete name, address and tax identification number of the player to whom payment was made so that the Lottery can file a Form W-2G, shall be charged backup withholding pursuant to Internal Revenue Service (IRS) regulations, as well as a non-refundable \$50 service charge to offset any penalties and interest imposed by the IRS. If the IRS imposes penalties and interest in excess of \$50, the retailer's account will be adjusted in the amount of any excess. The Lottery is authorized to reimburse the retailer only upon receipt of documentation establishing that the ticket was paid in full and a determination that no fraud or other violation has been committed.
- (9) A retailer shall not charge players a fee for the service of redeeming winning lottery tickets. This prohibition includes charging a fee for payment of a prize by money order when that is the only method of prize payment made available by the retailer.
- (10) If a retailer violates any provision of this rule, the retailer shall be subject to suspension or termination in accordance with rules of the Florida Lottery governing suspension and termination of retailer contracts. A copy of the current rule can be obtained from the Florida Lottery, Office of the General Counsel, 250 Marriott Drive, Tallahassee, Florida 32399-4011.
- (11) This emergency rule replaces Emergency Rules 53ER04-64 and 53ER04-78, Florida Administrative Code.

Specific Authority 24.105(9)(e), 24.109(1), 24.112(1), 24.115(1) FS. Law Implemented 24.112(1), 24.115 FS. History--New 1-31-05 Replaces 53ER04-64 and 53ER04-78.

53ER05-14 Retailer Compensation

- (1) Sales Commission. Retailers shall be paid a sales commission of five percent on the purchase price of each instant and on-line ticket sold by them or issued as a prize in accordance with these

rules. The number of instant tickets sold or issued as prizes will be determined by full or partial book settlements.

- (2) Cashing Commission. Retailers shall be paid a one percent cashing commission on the value of each lottery ticket with a prize value less than \$600 cashed by them. As used herein, "cashing" shall mean a transaction wherein a retailer validates a ticket and pays a prize either by cash, check, money order, or by issuance of a free ticket(s), and the Lottery processes the paid ticket for credit to the retailer. Free tickets shall be valued at their retail sales price.
- (3) The Lottery is authorized to conduct retailer incentive promotions in which additional compensation is provided to retailers as bonus commissions.
- (4) Sales and cashing commissions earned by a retailer will be reflected on the retailer's weekly Settlement Report. Bonus commissions earned by a retailer will be reflected on the retailer's weekly Settlement Report or will be paid by check.
- (5) Sales commissions, including bonus commissions, paid to retailers for instant ticket sales shall be reversed by the Florida Lottery if settled tickets are subsequently unsettled and returned to the Lottery.
- (6) Sales, cashing and bonus commissions will be considered compensation to the retailer for Internal Revenue Service purposes.
- (7) No retailer or employee of a retailer shall request or accept compensation for the performance of duties authorized pursuant to the retailer's contract, other than the compensation stated in the retailer's contract and these rules. This prohibition includes, but is not limited to, the redemption of winning tickets. A retailer shall not charge a fee for payment of a prize by money order when that is the only method of prize payment made available by the retailer.
- (8) This emergency rule replaces Emergency Rules 53ER02-23 and 53ER04-82, Florida Administrative Code.

Specific Authority 24.105(9)(i), 24.109(1) FS. Law Implemented 24.105(9)(i) FS. History—
New 1-31-05 Replaces 53ER02-23 and 53ER04-82.

53ER07-18 Retailer Responsibilities

- (1) The Lottery shall contract with specified retailers to sell lottery tickets.
- (2) All equipment provided to the retailer by the Lottery or its vendors shall remain the property of the Lottery or its vendors, and retailers shall acquire no interest whatsoever in the equipment.
- (3) The retailer shall meet the training standards established by the Lottery relating to operation of the terminal and the sale of lottery products.
- (4) Retailers shall be responsible for meeting terminal installation requirements as specified by the Lottery, including but not limited to, electrical circuitry; telephone line and equipment; counter, roof and building space; and conduit, if applicable.
- (5) Retailers shall provide a minimum amount of space as determined by the Lottery at the location of the terminal for proper ventilation, maintenance, and material loading and removing.
- (6) Retailers shall pay a weekly service charge as determined by the Lottery, taking into consideration factors such as salary costs, travel costs, the cost of materials, and associated administrative expenses. A retailer will not be assessed a service charge for promotional or additional terminals.
- (7) Retailers shall pay all electrical utility charges in connection with operation of the terminal.
- (8) Retailers shall use due diligence and care when operating the terminal and shall immediately notify the Lottery's designated hotline of any network communication problem or terminal malfunction.

- (9) Retailers shall provide access to Lottery equipment to Lottery or vendor personnel presenting proper identification.
- (10) Retailers shall be responsible for the physical security of the terminal and other Lottery equipment.
- (11) The Lottery will review occurrences of negligent or intentional damage to terminal(s) and other Lottery equipment by retailer or its employees and determine whether to recover the cost of such damages by considering factors such as the remedial steps, if any, taken by the retailer to prevent such occurrences in the future.
- (12) Retailers shall not attempt to perform any mechanical or electrical maintenance or repairs on the terminal or other Lottery equipment except as authorized by the Lottery or its vendors.
- (13) Retailers shall replenish ticket stock and clear paper jams as required on the terminal and/or terminal printer.
- (14) Retailers shall provide a space for the playstation provided by the Lottery at a location approved by the Lottery. In determining whether to approve a location, the Lottery will seek to optimize the promotional value and player convenience to be derived from the playstation, also considering such factors such as the retailer's floor plan and customer traffic flow. Retailers shall maintain an adequate supply of pencils, play slips, claim forms and brochures, for use by players as provided by the Lottery or authorized vendor. Retailer shall display and maintain in prominent locations point of sale materials provided by the Lottery, including, but not limited to, playstations, electronic displays and odds pieces. Material not authorized by the Lottery shall not be displayed at or dispensed from the playstation or other Lottery equipment.

Specific Authority 24.109(1), 24.112(1) FS. Law Implemented 24.112(1) FS. History--New Replaces 53ER05-13.

53ER07-17 Block Ticket Sales

- (1) Retailers shall, without delay, give service to all persons present and waiting at the terminal to purchase lottery tickets.
- (2) Retailers are required to report to the Lottery any sale to a person in excess of \$100,000 for an individual FLORIDA LOTTO drawing. Such report shall be made immediately by contacting the Division of Security at (850) 487-7752.
- (3) Retailers shall not accept any compensation for the sale of lottery tickets other than compensation provided or authorized by the Lottery.
- (4) Only original playslips provided by the Lottery which have not been marked for play by the use of any electronic or automated means shall be used for the issuance of more than 100,000 tickets for an individual drawing of FLORIDA LOTTO. This subsection shall not apply if the tickets are purchased using the quick pick option.
- (5) The entire transaction for the purchase of more than 100,000 FLORIDA LOTTO tickets, including payment for the tickets, submission of playslips, if any, and receipt of tickets, must occur at the same contracted retailer location.
- (6) No prize shall be paid on a ticket purchased in violation of this rule. The Lottery will review reported violations of this rule and will suspend ticket sales if necessary to prevent continued violations. Lottery action to suspend sales is in addition to and not in lieu of contract suspension or termination, as provided in the retailer contract.

Specific Authority 24.105(9)(e),(h), 24.109(1), 24.112(1) FS. Law Implemented 24.105(9)(e),(h), 24.112(1) FS. History--New Replaces 53ER05-18.

53ER07-40 Code of Ethics for Non-Reporting Individuals and Non-Procurement Employees.

(1) All employees of the Florida Lottery are subject to the provisions of Chapter 112, Part III, Fla. Stat., Chapter 24, Fla. Stat., and rules promulgated thereunder. Where there are differences between this rule and the statute, the stricter provisions will apply.

(2) Definitions.

For purposes of this rule,

- (a) “employee” means any person employed by the Florida Lottery, including an OPS employee, who is not a reporting individual or procurement employee, as those terms are defined below.
- (b) “gift” means anything accepted by a person or on that person’s behalf, whether directly or indirectly, for that person’s benefit and for which no payment is made, and can include: real property or the use thereof; tangible or intangible personal property or the use thereof; preferential rate or terms on a transaction not available to others similarly situated; forgiveness of a debt; transportation, lodging or parking; food or beverage; dues, fees and tickets; plants and flowers; personal services for which a fee is normally charged; or any other thing or service having an attributable value.
- (c) “gift” does not include:
 - 1. salary, benefits, services, fees, commissions, gifts or expenses associated primarily with the donee’s employment, business, or service as an officer or director of a corporation or organization; or
 - 2. contributions reported pursuant to Chapter 106, F.S., campaign-related personal services provided by individuals volunteering their time, or any other contribution or expenditure by a political party; or
 - 3. an honorarium or expense related to an honorarium event paid to a person or the person’s spouse by someone other than a lobbyist or principal of a lobbyist; or
 - 4. an award, plaque, certificate or similar personalized item given in recognition of the donee’s public, civic, charitable or professional service, provided that such item has no separate commercial value; or
 - 5. honorary membership in a service or fraternal organization presented as a courtesy by the organization; or
 - 6. use of a public facility for a public purpose made available by a governmental agency; or
 - 7. transportation provided by an agency in relation to officially approved governmental business; or
 - 8. anything of value provided directly or indirectly by a state, regional or national organization which promotes the exchange of ideas between, or the professional development of, governmental officials or employees, and whose membership is primarily composed of elected or appointed public officials or staff, to members of that organization, or staff of a governmental agency that is a member of the organization.
- (d) “lobby” means to seek, on behalf of another person, to influence an agency with respect to a decision of the agency in the area of policy or procurement or an attempt to obtain the goodwill of an agency official or employee.
- (e) “lobbyist” means a person who is employed and receives payment for the purpose of lobbying, or a person who is principally employed for governmental affairs by another person or governmental entity to lobby on behalf of that other person or governmental

entity, excluding an employee of an agency or of a legislative or judicial branch entity acting in the normal course of his or her duties.

- (f) "principal" means the person, firm, corporation or other entity which has employed or retained a lobbyist.
- (g) "procurement employee" means any employee who participates through decision, approval, disapproval, recommendation, preparation of any part of a purchase request, influencing the content of any specification or procurement standard, rendering of advice, investigation, or auditing or in any other advisory capacity in the procurement of contractual services or commodities as defined in section 287.012, Fla. Stat., if the cost of such services or commodities exceeds \$1,000 in any year.
- (h) "relative" means a person who is related to an agency official or employee as father, mother, son, daughter, brother, sister, uncle, aunt, first cousin, nephew, niece, husband, wife, father-in-law, mother-in-law, stepfather, stepmother, stepson, stepdaughter, stepbrother, stepsister, half-brother, half-sister, grandparent, great grandparent, grandchild, great grandchild, step grandparent, step great grandparent, step great grandchild, engaged to be married to the agency official or employee, or who otherwise holds himself or herself out as or is generally known as the person whom the agency official or employee intends to marry or with whom the agency official or employee intends to form a household, or any other natural person having the same legal residence as the agency official or employee.
- (i) "reporting individual" means any individual who is required by section 112.3145, Fla. Stat., to file full or limited public disclosure of his or her financial interests; at the Florida Lottery, reporting individuals are executive and senior staff; all district managers; all managers one level below director; in financial management, managers two levels below director; attorneys and purchasing agents.

(3) Lobbyist Expenditures.

No employee shall knowingly accept anything of value from a lobbyist or the principal of a lobbyist, except that an expenditure for the personal benefit of the employee may be accepted from a lobbyist or principal who is a relative of the employee. However,

- (a) An employee may attend an event or accept a thing of value that is otherwise prohibited if the employee pays or provides equivalent consideration contemporaneously with or preceding the receipt of the item or attendance at the event.
- (b) An employee may attend a community event that is open to all persons.
- (c) An employee may accept an item or benefit generally available for free or below the customary rate if the terms or rate is a government rate available to all other similarly-situated government employees or a rate that is available to similarly-situated members of the public by virtue of occupation, affiliation, age, religion, sex or national origin.
- (d) A Lottery vendor who is also a principal may make expenditures for reasonable and necessary expenses of Lottery sales conferences and other marketing activities when such payments are made pursuant to a contractual obligation of the vendor to provide marketing support to the Lottery under a contract that was entered pursuant to a competitive procurement process. A Lottery employee's participation in such a sales conference or other marketing activities shall not be considered to be a violation of this rule.

(4) General Provisions.

- (a) Employees shall not solicit or accept anything of value to the employee, including gifts, loans, rewards, promises of future employment, favors, or services based upon any understanding that the official action or judgment of the employee would be influenced thereby.

- (b) Employees shall not solicit any gift, regardless of value, if the gift is for the personal benefit of the employee, the employee's family, or another employee.
 - (c) Employees shall not use or attempt to use their positions to gain special privileges, benefits or exemptions for themselves or others.
 - (d) Employees, their spouses and minor children shall not accept any compensation, payment or thing of value when they know or should know that it was given to influence the official action of the employee.
 - (e) Employees shall not disclose or use information not available to the public and obtained by reason of their public positions for the personal benefit of themselves or others.
 - (f) Employees shall not solicit or accept an honorarium that is related to their public office or duties. Employees may accept payment of expenses related to an honorarium event unless the payment is from a lobbyist or principal.
 - (g) Employees acting as purchasing agents shall not directly or indirectly purchase, rent, or lease any realty, goods or services for the Lottery from a business in which the employee or the employee's spouse or child owns more than a 5% interest.
 - (h) Employees acting in a private capacity shall not rent, sell or lease realty, goods or services to the Lottery.
 - (i) Employees shall not accept employment that would create a conflict of interest between their private interests and the performance of their public duties, or accept other employment with any business entity subject to regulation by, or doing business with, the Lottery.
 - (j) Employees having decision-making authority shall not participate in any decision involving a vendor or retailer with whom they have a financial interest.
 - (k) Employees having decision-making authority shall not participate in any decision involving a vendor or retailer with whom they have discussed employment opportunities, without the prior approval of the Secretary.
 - (l) Purchase of lottery tickets by employees or any relatives residing in their household is strictly prohibited.
- (5) Post-Employment Restrictions.
- (a) Employees who became employed by the Lottery after July 1, 1989, who have authority over policy or procurement, shall not, for a period of two (2) years after retirement or termination, personally represent another person or entity for compensation before the Department, unless employed by another agency of state government.
 - (b) Employees shall not, for a period of two (2) years after retirement or termination, hold any employment or contractual relationship with a business entity other than a state agency in connection with any contract for contractual services that was within the employee's responsibility while employed by the Lottery.
 - (c) Employees are prohibited, after retirement or termination, from holding any employment or contractual relationship with a business entity other than a state agency in connection with any contract in which the employee participated personally and substantially through decision, approval, disapproval, recommendation, rendering of advice, or investigation while an employee of the Lottery.
 - (d) Employees shall not, for a period of one (1) year following cessation of employment with the Lottery, represent any vendor or retailer before the Lottery regarding any specific matter in which the employee was involved while employed by the Lottery.
- (6) All employees shall receive Code of Ethics training upon appointment and thereafter on an annual basis.

(7) This emergency rule shall replace Emergency Rule 53ER07-8, Florida Administrative Code. Specific Authority 24.105(20), 24.109(1) FS. Law Implemented 24.105(20), 24.105(19)(b) and (c), 24.116(2), Chapter 112, Part III FS. History-New 6-13-07, Replaces 53ER07-8, F.A.C.

53ER07-41 Code of Ethics for Reporting Individuals and Procurement Employees

(1) All employees of the Florida Lottery are subject to the provisions of Chapter 112, Part III, Fla. Stat., Chapter 24, Fla. Stat., and rules promulgated thereunder. Where there are differences between this rule and the statute, the stricter provisions will apply.

(2) Definitions.

For purposes of this rule,

(a) “employee” means any person employed by the Florida Lottery, including an OPS employee, who is a reporting individual or procurement employee, as those terms are defined below.

(b) “gift” means anything accepted by a person or on that person’s behalf, whether directly or indirectly, for that person’s benefit and for which no payment is made, and can include: real property or the use thereof; tangible or intangible personal property or the use thereof; preferential rate or terms on a transaction not available to others similarly situated; forgiveness of a debt; transportation, lodging or parking; food or beverage; dues, fees and tickets; plants and flowers; personal services for which a fee is normally charged; or any other thing or service having an attributable value.

(c) “gift” does not include:

1. salary, benefits, services, fees, commissions, gifts or expenses associated primarily with the donee’s employment, business, or service as an officer or director of a corporation or organization; or
2. contributions reported pursuant to Chapter 106, F.S., campaign-related personal services provided by individuals volunteering their time, or any other contribution or expenditure by a political party; or
3. an honorarium or expense related to an honorarium event paid to a person or the person’s spouse by someone other than a lobbyist or principal of a lobbyist; or
4. an award, plaque, certificate or similar personalized item given in recognition of the donee’s public, civic, charitable or professional service, provided that such item has no separate commercial value; or
5. honorary membership in a service or fraternal organization presented as a courtesy by the organization; or
6. use of a public facility for a public purpose made available by a governmental agency; or
7. transportation provided by an agency in relation to officially approved governmental business; or
8. anything of value provided directly or indirectly by a state, regional or national organization which promotes the exchange of ideas between, or the professional development of, governmental officials or employees, and whose membership is primarily composed of elected or appointed public officials or staff, to members of that organization, or staff of a governmental agency that is a member of the organization.

(d) “lobby” means to seek, on behalf of another person, to influence an agency with respect to a decision of the agency in the area of policy or procurement or an attempt to obtain the goodwill of an agency official or employee.

- (e) “lobbyist” means a person who is employed and receives payment for the purpose of lobbying, or a person who is principally employed for governmental affairs by another person or governmental entity to lobby on behalf of that other person or governmental entity, excluding an employee of an agency or of a legislative or judicial branch entity acting in the normal course of his or her duties.
- (f) “principal” means the person, firm, corporation or other entity which has employed or retained a lobbyist.
- (g) “procurement employee” means any employee who participates through decision, approval, disapproval, recommendation, preparation of any part of a purchase request, influencing the content of any specification or procurement standard, rendering of advice, investigation, or auditing or in any other advisory capacity in the procurement of contractual services or commodities as defined in section 287.012, Fla. Stat., if the cost of such services or commodities exceeds \$1,000 in any year.
- (h) "relative" means a person who is related to an agency official or employee as father, mother, son, daughter, brother, sister, uncle, aunt, first cousin, nephew, niece, husband, wife, father-in-law, mother-in-law, stepfather, stepmother, stepson, stepdaughter, stepbrother, stepsister, half-brother, half-sister, grandparent, great grandparent, grandchild, great grandchild, step grandparent, step great grandparent, step great grandchild, engaged to be married to the agency official or employee, or who otherwise holds himself or herself out as or is generally known as the person whom the agency official or employee intends to marry or with whom the agency official or employee intends to form a household, or any other natural person having the same legal residence as the agency official or employee.
- (i) “reporting individual” means any employee who is required by section 112.3145, Fla. Stat., to file a full or limited public disclosure of his or her financial interests; at the Florida Lottery, reporting individuals are executive and senior staff; all district managers; all managers one level below director; in financial management, managers two levels below director; attorneys and purchasing agents.

(3) Lobbyist Expenditures.

No employee shall knowingly accept anything of value from a lobbyist or the principal of a lobbyist, except that an expenditure for the personal benefit of the employee may be accepted from a lobbyist or principal who is a relative of the employee. However,

- (a) An employee may attend an event or accept a thing of value that is otherwise prohibited if the employee pays or provides equivalent consideration contemporaneously with or preceding the receipt of the item or attendance at the event.
- (b) An employee may attend a community event that is open to all persons.
- (c) An employee may accept an item or benefit generally available for free or below the customary rate if the terms or rate is a government rate available to all other similarly-situated government employees or a rate that is available to similarly-situated members of the public by virtue of occupation, affiliation, age, religion, sex or national origin.
- (d) A Lottery vendor who is also a principal may make expenditures for reasonable and necessary expenses of Lottery sales conferences and other marketing activities when such payments are made pursuant to a contractual obligation of the vendor to provide marketing support to the Lottery under a contract that was entered pursuant to a competitive procurement process. A Lottery employee’s participation in such a sales conference or other marketing activities shall not be considered to be a violation of this rule.

(4) Gifts and Gift Reporting.

- (a) No employee shall knowingly accept any gift, gratuity, favor, entertainment, lodging, transportation, loan or any other thing of monetary value that the employee knows or reasonably should know is valued at over \$25.00. There are four limited exceptions:
1. Gifts from relatives, regardless of value.
 2. Gifts (including but not limited to birthday and/or anniversary gifts and gifts of hospitality) received from personal friends in the ordinary course of friendship, regardless of value, provided that any such personal friend is not:
 - a. a lobbyist; or
 - b. the principal of a lobbyist; or
 - c. a person having a special pecuniary interest (either individually or through a corporation or organization) in a matter pending before the Lottery; or
 - d. a person who (either individually or through a corporation or organization) provides goods or services to the Lottery under contract or agreement; or
 - e. a person who (either individually or through a corporation or organization) is seeking such business with the Lottery.
 3. On-site consumption of food and refreshment at receptions and/or other events, provided the employee's attendance at such event is an appropriate exercise of the employee's official duties and the food and refreshments at such event are not paid for by a lobbyist or the principal of a lobbyist.
 4. Gifts (regardless of value) accepted on behalf of a governmental entity or charitable organization, or for which a public purpose can be shown, provided the Lottery ethics officer has approved such acceptance and the gift is not being made by a lobbyist or the principal of a lobbyist.

The above four limited exceptions do not authorize the acceptance of any gift that is otherwise prohibited by Chapter 112, Fla. Stat.

- (b) Employees shall file with the Commission on Ethics on the last day of each calendar quarter, for the previous calendar quarter, a list of permissible gifts valued at more than \$25 that were accepted by the employee, unless the gift is from a relative or
1. is given by a personal friend for a special occasion (e.g., holidays, birthdays, weddings, showers, anniversaries, graduation, Valentine's Day, etc.); or
 2. is a meal (whether at a restaurant or at a home) with a friend or lodging at a friend's home.
- (c) Gifts identified in subparagraphs (4)(b)1. and 2. above must be reported if they exceed \$100 in value.
- (d) Employees shall file with the Commission on Ethics by July 1 of each year an Annual Disclosure of Gifts from Governmental Entities and Direct Support Organizations and Honorarium Event Related Expenses on forms prescribed by the Commission on Ethics.

(5) General Provisions.

- (a) Employees shall not solicit or accept anything of value to the employee, including gifts, loans, rewards, promises of future employment, favors, or services based upon any understanding that the official action or judgment of the employee would be influenced thereby.
- (b) Employees shall not solicit any gift, regardless of value, if the gift is for the personal benefit of the employee, the employee's family, or another employee.
- (c) Employees shall not use or attempt to use their positions to gain special privileges, benefits or exemptions for themselves or others.

- (d) Employees, their spouses and minor children shall not accept any compensation, payment or thing of value when they know or should know that it was given to influence the official action of the employee.
 - (e) Employees shall not disclose or use information not available to the public and obtained by reason of their public positions for the personal benefit of themselves or others.
 - (f) Employees shall not solicit or accept an honorarium that is related to their public office or duties. Employees may accept payment of expenses related to an honorarium event unless the payment is from a lobbyist or principal.
 - (g) Employees acting as purchasing agents shall not directly or indirectly purchase, rent, or lease any realty, goods or services for the Lottery from a business in which the employee or the employee's spouse or child owns more than a 5% interest.
 - (h) Employees acting in a private capacity shall not rent, sell or lease realty, goods or services to the Lottery.
 - (i) Employees shall not accept employment that would create a conflict of interest between their private interests and the performance of their public duties, or accept other employment with any business entity subject to regulation by, or doing business with, the Lottery.
 - (j) Employees having decision-making authority shall not participate in any decision involving a vendor or retailer with whom they have a financial interest.
 - (k) Employees having decision-making authority shall not participate in any decision involving a vendor or retailer with whom they have discussed employment opportunities, without the prior approval of the Secretary.
 - (l) Purchase of lottery tickets by employees or any relatives residing in their household is strictly prohibited.
- (6) Post-Employment Restrictions.
- (a) Employees who became employed by the Lottery after July 1, 1989, who have authority over policy or procurement, shall not, for a period of two (2) years after retirement or termination, personally represent another person or entity for compensation before the Department, unless employed by another agency of state government.
 - (b) Employees shall not, for a period of two (2) years after retirement or termination, hold any employment or contractual relationship with a business entity other than a state agency in connection with any contract for contractual services that was within the employee's responsibility while employed by the Lottery.
 - (c) Employees are prohibited, after retirement or termination, from holding any employment or contractual relationship with a business entity other than a state agency in connection with any contract in which the employee participated personally and substantially through decision, approval, disapproval, recommendation, rendering of advice, or investigation while an employee of the Lottery.
 - (d) Employees shall not, for a period of one (1) year following cessation of employment with the Lottery, represent any vendor or retailer before the Lottery regarding any specific matter in which the employee was involved while employed by the Lottery.
- (7) Statement of Financial Interests.
- A statement of financial interests shall be submitted on forms prescribed by the Commission on Ethics within thirty (30) days after employment, and by July 1 of each year thereafter, by all employees.

- (8) All employees shall receive Code of Ethics training upon appointment and thereafter on an annual basis.
- (9) This emergency rule shall replace Emergency Rule 53ER07-9, Florida Administrative Code.

Specific Authority 24.105(20), 24.109(1) FS. Law Implemented 24.105(20), 24.105(19)(b) and (c), 24.116(2), Chapter 112, Part III FS. History--New 6-13-07, Replaces 53ER07-9, F.A.C.