

June 3, 2005

Ms. Glenda E. Hood  
Secretary of State  
Florida Department of State  
R. A. Gray Building  
500 South Bronough Street  
Tallahassee, FL 32399

Dear Secretary Hood:

By the authority vested in me as Governor of Florida, under the provisions of Article III, Section 8, of the Constitution of Florida, I do hereby withhold my approval of and transmit to you with my objections, Committee Substitute for Committee Substitute for Committee Substitute for Senate Bill 1520, enacted during the 37<sup>th</sup> Session of the Legislature of Florida convened under the Constitution of 1968, during the Regular Session of 2005, and entitled:

An act relating to consumer protection . . .

This bill contains a number of provisions relating to consumer protection activities of the Department of Agriculture and Consumer Services.

While most of the provisions of the bill appear to enhance consumer protection, I have concerns with two provisions.

First, this bill contains a provision that allows the use of "other currency" in arcade games and machines. While proponents of the provision argue that this updates current law to reflect the technological advances of arcade games and machines, they fail to acknowledge that this provision could usher in a major expansion of gambling. The provision would allow arcade operators to set their machines to accept \$5, \$10, \$20, \$100 bills, or even debit cards.

More importantly, this provision would obliterate the bright-line "coin only" rule that law enforcement officers, state prosecutors, and the courts rely on to identify, regulate, and shut down arcades operating illegal slot machines. Instead of trying to help law enforcement deter the use of these arcade games and machines, this provision will give arcade owners a "free spin" to stay in business and may be an incentive for others to get into this market. This is an expansion of gambling and is inconsistent with my long-standing anti-gambling philosophy.

Second, the bill defines "travel clubs" and distinguishes them from "timeshares." I am unconvinced that the regulatory structure contemplated by this bill is in the best interest of the consumer. The proposed provision creates a broad hole in Florida's seasoned

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regulatory environment, potentially allowing undercapitalized or unscrupulous developers to do business in Florida in all bands of the market.

Other states with large concentrations of timeshares, such as California, have worked with the industry to create a limited exemption for "travel clubs." The provisions in this bill create an exemption without limits and diminish consumer protections. Until a specific exemption or a more definitive regulatory structure is agreed to by all parties, I am unconvinced that any wide-open exemption is in the best interest of the consumer.

For the reasons provided above, I am withholding my approval of Committee Substitute for Committee Substitute for Committee Substitute for Senate Bill 1520, and do hereby veto the same.

Sincerely,

Jeb Bush