

SENATE SUBSTITUTE
FOR
SENATE COMMITTEE SUBSTITUTE
FOR
SENATE BILL NO. 44

AN ACT

To repeal sections 311.660, 311.710, 311.720, 313.004, 313.255, 313.800, 572.010, and 572.100, RSMo, and to enact in lieu thereof thirty-two new sections relating to gaming, with penalty provisions.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF MISSOURI, AS FOLLOWS:

1 Section A. Sections 311.660, 311.710, 311.720, 313.004,
2 313.255, 313.800, 572.010, and 572.100, RSMo, are repealed and
3 thirty-two new sections enacted in lieu thereof, to be known as
4 sections 311.660, 311.710, 311.720, 313.004, 313.255, 313.360,
5 313.425, 313.427, 313.429, 313.431, 313.433, 313.434, 313.435,
6 313.437, 313.800, 313.1000, 313.1002, 313.1003, 313.1004,
7 313.1006, 313.1008, 313.1010, 313.1012, 313.1014, 313.1016,
8 313.1018, 313.1019, 313.1020, 313.1021, 313.1022, 572.010, and
9 572.100, to read as follows:

10 311.660. The supervisor of liquor control shall have the
11 authority to suspend or revoke for cause all such licenses; and
12 to make the following regulations, without limiting the
13 generality of provisions empowering the supervisor of liquor
14 control as in this chapter set forth as to the following matters,
15 acts and things:

16 (1) Fix and determine the nature, form and capacity of all

1 packages used for containing intoxicating liquor of any kind, to
2 be kept or sold under this law;

3 (2) Prescribe an official seal and label and determine the
4 manner in which such seal or label shall be attached to every
5 package of intoxicating liquor so sold under this law; this
6 includes prescribing different official seals or different labels
7 for the different classes, varieties or brands of intoxicating
8 liquor;

9 (3) Prescribe all forms, applications and licenses and such
10 other forms as are necessary to carry out the provisions of this
11 chapter, except that when a licensee substantially complies with
12 all requirements for the renewal of a license by the date on
13 which the application for renewal is due, such licensee shall be
14 permitted at least an additional ten days from the date notice is
15 sent that the application is deficient, in which to complete the
16 application;

17 (4) Prescribe the terms and conditions of the licenses
18 issued and granted under this law;

19 (5) Prescribe the nature of the proof to be furnished and
20 conditions to be observed in the issuance of duplicate licenses,
21 in lieu of those lost or destroyed;

22 (6) Establish rules and regulations for the conduct of the
23 business carried on by each specific licensee under the license,
24 and such rules and regulations if not obeyed by every licensee
25 shall be grounds for the revocation or suspension of the license;

26 (7) The right to examine books, records and papers of each
27 licensee and to hear and determine complaints against any
28 licensee;

1 (8) To issue subpoenas and all necessary processes and
2 require the production of papers, to administer oaths and to take
3 testimony;

4 (9) Prescribe all forms of labels to be affixed to all
5 packages containing intoxicating liquor of any kind; [and]

6 (10) To refer to the Missouri gaming commission any
7 suspected illegal gambling activity punishable under chapter 572
8 being conducted on the premises of a location licensed under this
9 chapter, which shall be investigated under subsection 13 of
10 section 313.004; and

11 (11) To make such other rules and regulations as are
12 necessary and feasible for carrying out the provisions of this
13 chapter, as are not inconsistent with this law.

14 311.710. 1. In addition to the penalties and proceedings
15 for suspension or revocation of licenses provided for in this
16 chapter, and without limiting them, proceedings for the
17 suspension or revocation of any license authorizing the sale of
18 intoxicating liquor at retail may be brought in the circuit court
19 of any county in this state, or in the city of St. Louis, in
20 which the licensed premises are located and such proceedings may
21 be brought by the sheriff or any peace officer of that county or
22 by any eight or more persons who are taxpaying citizens of the
23 county or city for any of the following offenses:

24 (1) Selling, giving or otherwise supplying intoxicating
25 liquor to a habitual drunkard or to any person who is under or
26 apparently under the influence of intoxicating liquor;

27 (2) Knowingly permitting any prostitute, degenerate, or
28 dissolute person to frequent the licensed premises;

1 (3) Permitting on the licensed premises any disorderly
2 conduct, breach of the peace, or any lewd, immoral or improper
3 entertainment, conduct or practices;

4 (4) Selling, offering for sale, possessing or knowingly
5 permitting the consumption on the licensed premises of any kind
6 of intoxicating liquors, the sale, possession or consumption of
7 which is not authorized under his license;

8 (5) Selling, giving, or otherwise supplying intoxicating
9 liquor to any person under the age of twenty-one years;

10 (6) Selling, giving or otherwise supplying intoxicating
11 liquors between the hours of 12:00 midnight Saturday night and
12 12:00 midnight Sunday night;

13 (7) Permitting on the licensed premises any form of
14 gambling device punishable under chapter 572.

15 2. Provided, that said taxpaying citizen shall submit in
16 writing, under oath, by registered United States mail to the
17 supervisor of liquor control a joint complaint, stating the name
18 of the licensee, the name under which the licensee's business is
19 conducted and the address of the licensed premises, setting out
20 in general the character and nature of the offense or offenses
21 charged, together with the names and addresses of the witnesses
22 by whom proof thereof is expected to be made; and provided, that
23 after a period of thirty days after the mailing of such complaint
24 to the supervisor of liquor control the person therein complained
25 of shall not have been cited by the supervisor to appear and show
26 cause why his license should not be suspended or revoked then
27 they shall file with the circuit clerk of the county or city in
28 which the premises are located a copy of the complaint on file

1 with the supervisor of liquor control.

2 3. If, pursuant to the receipt of such complaint by the
3 supervisor of liquor control, the licensee appears and shows
4 cause why his license should not be suspended or revoked at a
5 hearing held for that purpose by the supervisor and either the
6 complainants or the licensee consider themselves aggrieved with
7 the order of the supervisor then, after a request in writing by
8 either the complainants or the licensee, the supervisor shall
9 certify to the circuit clerk of the county or city in which the
10 licensed premises are located a copy of the original complaint
11 filed with him, together with a copy of the transcript of the
12 evidence adduced at the hearing held by him. Such certification
13 by the supervisor shall not act as a supersedeas of any order
14 made by him.

15 4. Upon receipt of such complaint, whether from the
16 complainant directly or from the supervisor of liquor control,
17 the court shall set a date for an early hearing thereon and it
18 shall be the duty of the circuit clerk to cause to be delivered
19 by registered United States mail to the prosecuting attorney of
20 the county or to the circuit attorney of the city of St. Louis
21 and to the licensee copies of the complaint and he shall, at the
22 same time, give notice of the time and place of the hearing.
23 Such notice shall be delivered to the prosecuting attorney or to
24 the circuit attorney and to the licensee at least fifteen days
25 prior to the date of the hearing.

26 5. The complaint shall be heard by the court without a jury
27 and if there has been a prior hearing thereon by the supervisor
28 of liquor control then the case shall be heard de novo and both

1 the complainants and the licensee may produce new and additional
2 evidence material to the issues.

3 6. If the court shall find upon the hearing that the
4 offense or offenses charged in the complaint have been
5 established by the evidence, the court shall order the suspension
6 or revocation of the license but, in so doing, shall take into
7 consideration whatever order, if any, may have been made in the
8 premises by the supervisor of liquor control. If the court finds
9 that to revoke the license would be unduly severe, then the court
10 may suspend the license for such period of time as the court
11 deems proper.

12 7. The judgment of the court in no event shall be
13 superseded or stayed during pendency of any appeal therefrom.

14 8. It shall be the duty of the prosecuting attorney or
15 circuit attorney to prosecute diligently and without delay any
16 such complaints coming to him by virtue of this section.

17 9. The jurisdiction herein conferred upon the circuit
18 courts to hear and determine complaints for the suspension or
19 revocation of licenses in the manner provided in this section
20 shall not be exclusive and any authority conferred upon the
21 supervisor of liquor control to revoke or suspend licenses shall
22 remain in full force and effect, and the suspension or revocation
23 of a license as provided in this section shall be in addition to
24 and not in lieu of any other revocation or suspension provided by
25 this chapter.

26 10. Costs accruing because of such hearings in the circuit
27 court shall be taxed in the same manner as criminal costs.

28 311.720. 1. Conviction in any court of any violation of

1 this chapter, or any felony violation of chapter 195, in the
2 course of business, shall have the effect of automatically
3 revoking the license of the person convicted, and such revocation
4 shall continue operative until said case is finally disposed of,
5 and if the defendant is finally acquitted, he may apply for and
6 receive a license hereunder, upon paying the regular license
7 charge therefor, in the same manner as though he had never had a
8 license hereunder; provided, however, that the provisions of this
9 section shall not apply to violations of section 311.070, and
10 violations of said section shall be punished only as therein
11 provided.

12 2. Conviction in any court for illegal gambling activity
13 involving an illegal gambling device as defined under section
14 572.010 shall result in the automatic and permanent revocation of
15 a license issued under this chapter.

16 313.004. 1. There is hereby created the "Missouri Gaming
17 Commission" consisting of five members appointed by the governor,
18 with the advice and consent of the senate. Each member of the
19 Missouri gaming commission shall be a resident of this state. No
20 member shall have pled guilty to or shall have been convicted of
21 a felony or gambling-related offense. Not more than three
22 members shall be affiliated with the same political party. No
23 member of the commission shall be an elected official. The
24 overall membership of the commission shall reflect experience in
25 law enforcement, civil and criminal investigation and financial
26 principles.

27 2. The initial members of the commission shall be appointed
28 within thirty days of April 29, 1993. Of the members first

1 appointed, one shall be appointed for a one-year term, two shall
2 be appointed for a two-year term and two shall be appointed for a
3 three-year term. Thereafter, all members appointed shall serve
4 for a three-year term. No person shall serve as a member more
5 than six years. The governor shall designate one of the members
6 as the chair. The governor may remove any member of the
7 commission from office for malfeasance or neglect of duty in
8 office. The governor may also replace any member of the
9 commission, with the advice and consent of the senate, when any
10 responsibility concerning the state lottery, pari-mutuel wagering
11 or any other form of gaming is placed under the jurisdiction of
12 the commission.

13 3. The commission shall meet at least quarterly in
14 accordance with its rules. In addition, special meetings may be
15 called by the chair or any two members of the commission upon
16 twenty-four-hour written notice to each member. No action of the
17 commission shall be binding unless taken at a meeting at which at
18 least three of the five members are present and shall vote in
19 favor thereof.

20 4. The commission shall perform all duties and have all the
21 powers and responsibilities conferred and imposed upon it
22 relating to excursion gambling boats and, after June 30, 1994,
23 the lawful operation of the game of bingo under this chapter.
24 Within the commission, there shall be established a division of
25 gambling and after June 30, 1994, the division of bingo. Subject
26 to appropriations, the commission may hire an executive director
27 and any employees as it may deem necessary to carry out the
28 commission's duties. The commission shall have authority to

1 require investigations of any employee or applicant for
2 employment as deemed necessary and use such information or any
3 other information in the determination of employment. The
4 commission shall promulgate rules and regulations establishing a
5 code of ethics for its employees which shall include, but not be
6 limited to, restrictions on which employees shall be prohibited
7 from participating in or wagering on any game or gaming operation
8 subject to the jurisdiction of the commission. The commission
9 shall determine if any other employees of the commission or any
10 licensee of the commission shall participate or wager in any
11 operation under the jurisdiction of the commission.

12 5. On April 29, 1993, all the authority, powers, duties,
13 functions, records, personnel, property, matters pending and all
14 other pertinent vestiges of the state tourism commission relating
15 to the regulation of excursion gambling boats and, after June 30,
16 1994, of the department of revenue relating to the regulation of
17 the game of bingo shall be transferred to the Missouri gaming
18 commission.

19 6. The commission shall be assigned to the department of
20 public safety as a type III division, but the director of the
21 department of public safety has no supervision, authority or
22 control over the actions or decisions of the commission.

23 7. Members of the Missouri gaming commission shall receive
24 as compensation, the amount of one hundred dollars for every day
25 in which the commission holds a meeting, when such meeting is
26 subject to the recording of minutes as provided in chapter 610,
27 and shall be reimbursed for reasonable expenses incurred in the
28 performance of their duties. The chair shall receive as

1 additional compensation one hundred dollars for each month such
2 person serves on the commission in that capacity.

3 8. No member or employee of the commission shall be
4 appointed or continue to be a member or employee who is licensed
5 by the commission as an excursion gambling boat operator or
6 supplier and no member or employee of the commission shall be
7 appointed or continue to be a member or employee who is related
8 to any person within the second degree of consanguinity or
9 affinity who is licensed by the commission as an excursion
10 gambling boat operator or supplier. The commission shall
11 determine by rule and regulation appropriate restrictions on the
12 relationship of members and employees of the commission to
13 persons holding or applying for occupational licenses from the
14 commission or to employees of any licensee of the commission. No
15 peace officer, as defined by section 590.010, who is designated
16 to have direct regulator authority related to excursion gambling
17 boats shall be employed by any excursion gambling boat or
18 supplier licensed by the commission while employed as a peace
19 officer. No member or employee of the commission or any employee
20 of the state attorney general's office or the state highway
21 patrol who has direct authority over the regulation or
22 investigation of any applicant or licensee of the commission or
23 any peace officer of any city or county which has approved
24 excursion boat gambling shall accept any gift or gratuity from an
25 applicant or licensee while serving as a member or while under
26 such employment. Any person knowingly in violation of the
27 provisions of this subsection is guilty of a class A misdemeanor.
28 Any such member, officer or employee who personally or whose

1 prohibited relative knowingly violates the provisions of this
2 subsection, in addition to the foregoing penalty, shall, upon
3 conviction, immediately and thereupon forfeit his office or
4 employment.

5 9. The commission may enter into agreements with the
6 Federal Bureau of Investigation, the Federal Internal Revenue
7 Service, the state attorney general or any state, federal or
8 local agency the commission deems necessary to carry out the
9 duties of the commission, including investigations relating to
10 and the enforcement of the provisions of chapter 572 relating to
11 illegal gambling. No state agency shall count employees used in
12 any agreements entered into with the commission against any
13 personnel cap authorized by any statute. Any consideration paid
14 by the commission for the purpose of entering into, or to carry
15 out, any agreement shall be considered an administrative expense
16 of the commission. When such agreements are entered into for
17 responsibilities relating to excursion gambling boats, the
18 commission shall require excursion gambling boat licensees to pay
19 for such services under rules and regulations of the commission.
20 The commission may provide by rules and regulations for the
21 offset of any prize or winnings won by any person making a wager
22 subject to the jurisdiction of the commission, when practical,
23 when such person has an outstanding debt owed the state of
24 Missouri.

25 10. No person who has served as a member or employee of the
26 commission, as a member of the general assembly, as an elected or
27 appointed official of the state or of any city or county of this
28 state in which the licensing of excursion gambling boats has been

1 approved in either the city or county or both or any employee of
2 the state highway patrol designated by the superintendent of the
3 highway patrol or any employee of the state attorney general's
4 office designated by the state attorney general to have direct
5 regulatory authority related to excursion gambling boats shall,
6 while in such office or during such employment and during the
7 first two years after termination of his office or position,
8 obtain direct ownership interest in or be employed by any
9 excursion gambling boat licensed by the commission or which has
10 applied for a license to the commission or enter into a
11 contractual relationship related to direct gaming activity. A
12 "direct ownership interest" shall be defined as any financial
13 interest, equitable interest, beneficial interest, or ownership
14 control held by the public official or employee, or such person's
15 family member related within the second degree of consanguinity
16 or affinity, in any excursion gambling boat operation or any
17 parent or subsidiary company which owns or operates an excursion
18 gambling boat or as a supplier to any excursion gambling boat
19 which has applied for or been granted a license by the
20 commission, provided that a direct ownership interest shall not
21 include any equity interest purchased at fair market value or
22 equity interest received as consideration for goods and services
23 provided at fair market value of less than one percent of the
24 total outstanding shares of stock of any publicly traded
25 corporation or certificates of partnership of any limited
26 partnership which is listed on a regulated stock exchange or
27 automated quotation system. Any person who knowingly violates
28 the provisions of this subsection is guilty of a class E felony.

1 Any such member, officer or employee who personally and knowingly
2 violates the provisions of this subsection, in addition to the
3 foregoing penalty, shall, upon conviction, immediately and
4 thereupon forfeit his office or employment. For purposes of this
5 subsection, "appointed official" shall mean any official of this
6 state or of any city or county authorized under subsection 10 of
7 section 313.812 appointed to a position which has discretionary
8 powers over the operations of any licensee or applicant for
9 licensure by the commission. This shall only apply if the
10 appointed official has a direct ownership interest in an
11 excursion gambling boat licensed by the commission or which has
12 applied for a license to the commission to be docked within the
13 jurisdiction of his or her appointment. No elected or appointed
14 official, his or her spouse or dependent child shall, while in
15 such office or within two years after termination of his or her
16 office or position, be employed by an applicant for an excursion
17 gambling boat license or an excursion gambling boat licensed by
18 the commission. Any other person related to an elected or
19 appointed official within the second degree of consanguinity or
20 affinity employed by an applicant for an excursion gambling boat
21 license or excursion gambling boat licensed by the commission
22 shall disclose this relationship to the commission. Such
23 disclosure shall be in writing and shall include who is employing
24 such individual, that person's relationship to the elected or
25 appointed official, and a job description for which the person is
26 being employed. The commission may require additional
27 information as it may determine necessary.

28 11. The commission may enter into contracts with any

1 private entity the commission deems necessary to carry out the
2 duties of the commission, other than criminal law enforcement,
3 provision of legal counsel before the courts and other agencies
4 of this state, and the enforcement of liquor laws. The
5 commission may require provisions for special auditing
6 requirements, investigations and restrictions on the employees of
7 any private entity with which a contract is entered into by the
8 commission.

9 12. Notwithstanding the provisions of chapter 610 to the
10 contrary, all criminal justice records shall be available to any
11 agency or commission responsible for licensing or investigating
12 applicants or licensees applying to any gaming commission of this
13 state.

14 13. (1) The commission shall establish a telephone contact
15 number, which shall be prominently displayed on the commission's
16 website, to receive reports of suspected illegal gambling
17 activities. Upon the receipt of such report, the commission
18 shall initiate an investigation of such suspected illegal
19 activity. The commission shall notify the subject of such
20 investigation within thirty days of receiving a report under this
21 subsection.

22 (2) (a) If the commission finds sufficient evidence of a
23 violation punishable under chapter 572, the commission shall
24 refer such violations to the prosecuting attorney.

25 (b) Upon the request of a prosecuting attorney, the
26 attorney general shall aid a prosecuting attorney in prosecuting
27 violations referred by the commission.

28 (3) Any person or establishment licensed under this chapter

1 that is convicted of or pleads guilty to a violation punishable
2 under chapter 572, and any affiliated company of such person or
3 establishment, shall be permanently prohibited from being
4 licensed to participate in any way in a program implementing
5 video lottery gaming terminals should such a program be
6 implemented in this state.

7 313.255. 1. The director shall issue, suspend, revoke, and
8 renew licenses for lottery game retailers pursuant to rules and
9 regulations adopted by the commission. Such rules shall specify
10 that at least ten percent of all licenses awarded to lottery game
11 retailers in constitutional charter cities not within a county
12 and constitutional charter cities with a population of at least
13 four hundred fifty thousand not located wholly within a county of
14 the first class with a charter form of government shall be
15 awarded to minority-owned and -controlled business enterprises.
16 Licensing rules and regulations shall include requirements
17 relating to the financial responsibility of the licensee, the
18 accessibility of the licensee's place of business or activity to
19 the public, the sufficiency of existing licenses to serve the
20 public interest, the volume of expected sales, the security and
21 efficient operation of the lottery, and other matters necessary
22 to protect the public interest and trust in the lottery and to
23 further the sales of lottery tickets or shares. Lottery game
24 retailers shall be selected without regard to political
25 affiliation.

26 2. The commission may sell lottery tickets at its office
27 and at special events.

28 3. The commission shall require every retailer to post a

1 bond, a bonding fee or a letter of credit in such amount as may
2 be required by the commission, and upon licensure shall
3 prominently display his license, or a copy thereof, as provided
4 in the rules and regulations of the commission.

5 4. All licenses for lottery game retailers shall specify
6 the place such sales shall take place.

7 5. A lottery game retailer license shall not be assignable
8 or transferable.

9 6. A license shall be revoked upon a finding that the
10 licensee:

11 (1) Has knowingly provided false or misleading information
12 to the commission or its employees;

13 (2) Has been convicted of any felony; or

14 (3) Has endangered the security of the lottery.

15 7. A license may be suspended, revoked, or not renewed for
16 any of the following causes:

17 (1) A change of business location;

18 (2) An insufficient sales volume;

19 (3) A delinquency in remitting money owed to the lottery;

20 or

21 (4) Any violation of any rule or regulation adopted
22 pursuant to this section by the commission.

23 8. A lottery game retailer license shall be permanently
24 revoked upon a finding that the licensee has been convicted of or
25 pleaded guilty to illegal gambling activity involving an illegal
26 gambling device punishable under chapter 572.

27 313.360. Notwithstanding any other provision of law to the
28 contrary, the commission may incur fees when accepting debit

1 cards or other electronic payment methods for the sale of lottery
2 game plays.

3 313.425. Sections 313.425 to 313.437 shall be known and may
4 be cited as the "Missouri Video Lottery Control Act" and shall
5 establish the regulatory framework for the use of
6 player-activated video terminals for the conduct of lottery
7 games.

8 313.427. As used in sections 313.425 to 313.437, the
9 following words and phrases shall mean:

10 (1) "Centralized computer system", a computerized system
11 developed or procured by the commission that video lottery game
12 terminals are connected to using standard industry protocols that
13 can activate or deactivate a particular video lottery game
14 terminal from a remote location, and that is capable of
15 monitoring and auditing video lottery game plays;

16 (2) "Commission" or "lottery commission", the five-member
17 body appointed by the governor to manage and oversee the lottery
18 under section 313.215;

19 (3) "Establishment", any establishment that is or becomes
20 registered to do business in this state and is one or more of the
21 following:

22 (a) A fraternal organization;

23 (b) A truck stop; or

24 (c) A veterans' organization;

25 (4) "Fraternal organization", any organization within this
26 state operating under the lodge system which exists for the
27 common benefit, brotherhood or other interest of its members,
28 except college fraternities and sororities, of which no part of

1 the net earnings inures to the benefit of any private shareholder
2 or any individual member of such organization, which has been
3 exempted from the payment of federal income tax, and which
4 derives its charter from a national fraternal organization which
5 regularly meets;

6 (5) "Truck stop", a location equipped for fueling
7 commercial vehicles, that has sold on average ten thousand
8 gallons of diesel or biodiesel fuel each month for the previous
9 twelve months or is projected to sell an average of ten thousand
10 gallons of diesel or biodiesel fuel each month for the next
11 twelve months, that is situated on more than two acres of land
12 that obtains and maintains a license issued by the commission to
13 offer lottery games played on video lottery game terminals;

14 (6) "Veterans' organization", a post or organization of
15 veterans, or an auxiliary unit or society of, or a trust or
16 foundation for, any such post or organization organized in the
17 United States or any of its possessions in which at least
18 seventy-five percent of the members are veterans of the United
19 States armed forces and substantially all of the other members
20 are individuals who are veterans or are cadets, or are spouses,
21 widows or widowers of war veterans of such individuals, in which
22 no part of the net earnings inures to the benefit of any private
23 shareholder or individual, and which has been exempted from
24 payment of federal income taxes;

25 (7) "Video lottery game", any lottery game approved by the
26 commission for play on a video lottery game terminal using video
27 lottery game terminal credits that have been purchased with cash,
28 cash equivalents, or by a winning video lottery game terminal

1 ticket;

2 (8) "Video lottery game adjusted gross receipts", the total
3 of cash or cash equivalents used for the play of a video lottery
4 game on a video lottery game terminal minus cash or cash
5 equivalent paid to players as a result of playing video lottery
6 games on a video lottery game terminal;

7 (9) "Video lottery game handler", a person employed by a
8 licensed video lottery game operator and who is licensed by the
9 commission to handle, place, operate, and service video lottery
10 game terminals and associated equipment;

11 (10) "Video lottery game manufacturer" or "distributor",
12 any person licensed by the commission that manufactures video
13 lottery game terminals or major parts and components for video
14 lottery game terminals as approved by the lottery commission for
15 sale to licensed video lottery game operators, or a person
16 licensed by the commission to distribute or service video lottery
17 game terminals or major parts and components of video lottery
18 game terminals including buying, selling, leasing, renting, or
19 financing new, used, or refurbished video lottery game terminals
20 to and from licensed video lottery game manufacturers and
21 licensed video lottery game operators;

22 (11) "Video lottery game operator", a person licensed by
23 the commission that owns, rents, or leases and services or
24 maintains video lottery game terminals for placement in licensed
25 video lottery retailer establishments;

26 (12) "Video lottery game retailer", a person meeting the
27 requirements of a lottery game retailer under section 313.260,
28 possessing a video lottery game retailer's license, and

1 possessing a license to sell liquor with whom a licensed video
2 lottery game operator has contracted for the placement of a video
3 lottery game terminal or terminals;

4 (13) "Video lottery game terminal", player-activated
5 terminal that exchanges coins, currency, tickets, ticket vouchers
6 or other electronic payment methods approved by the commission
7 for video lottery game terminal credits used to play video
8 lottery games approved by the commission. Such video lottery
9 game terminals shall use a video display and microprocessor
10 capable of randomly generating the outcome of video lottery games
11 and be capable of printing a ticket at the conclusion of any
12 video lottery game play that is redeemable at a video lottery
13 game ticket redemption terminal or reinserted into a video
14 lottery game terminal for video lottery game credit. All video
15 lottery games approved by the commission for play on a video
16 lottery game terminal shall have a minimum theoretical payout of
17 eighty-five percent;

18 (14) "Video lottery game terminal credit", one cent, five
19 cents, ten cents, or twenty-five cents either won or purchased by
20 a player on a video lottery game terminal that is used to play
21 video lottery games and that may be converted into a video
22 lottery game ticket;

23 (15) "Video lottery game ticket" or "ticket", a document
24 printed at the conclusion of any lottery game play or group of
25 plays on a video lottery game terminal that is redeemable for
26 cash utilizing a video lottery game ticket redemption terminal or
27 that may be reinserted into a video lottery game terminal in the
28 establishment for which it was issued for video lottery terminal

1 game play credit;

2 (16) "Video lottery game ticket redemption terminal", the
3 collective hardware, software, communications technology, and
4 other ancillary equipment used to facilitate the payment of
5 tickets cashed out by players as a result of playing a video
6 lottery game terminal.

7 313.429. 1. The commission shall implement a system of
8 video lottery game terminals utilizing a licensing structure for
9 processing license applications and issuing licenses to video
10 lottery game manufacturers, video lottery game distributors,
11 video lottery game operators, video lottery game handlers, and
12 video lottery game retailers for the conduct of lottery games
13 utilizing video lottery game terminals within the state; except
14 that, a person licensed as a:

15 (1) Video lottery game manufacturer or a video lottery game
16 distributor shall not be issued a license as a video lottery game
17 operator or a video lottery game retailer;

18 (2) Video lottery game operator shall not be issued a
19 license as a video lottery game manufacturer, a video lottery
20 game distributor, or video lottery game retailer; and

21 (3) Video lottery game retailer shall not be issued a
22 license as a video lottery game manufacturer, a video lottery
23 game distributor, or video lottery game operator.

24
25 Nothing in this subsection shall prevent a video lottery game
26 manufacturer from obtaining a video lottery game manufacturer's
27 license and a video lottery game distributor's license and
28 providing and operating the centralized computer system for

1 monitoring video lottery game terminals.

2 2. Under no circumstances shall the commission:

3 (1) Authorize or allow a single vendor or licensee to
4 implement the system of video lottery game terminals created
5 under this section; or

6 (2) Allow a single licensed video lottery game operator to
7 control or operate more than twenty percent of video lottery game
8 terminals in the state after December 31, 2025.

9 3. (1) The video lottery game system authorized by this
10 section shall allow for multiple video lottery game
11 manufacturers, video lottery game distributors, and video lottery
12 game operators to encourage private sector investment and job
13 opportunities for Missouri citizens. Video lottery game
14 terminals shall be connected to a centralized computer system
15 developed or procured by the commission. The commission shall
16 provide licensed video lottery game operators with the necessary
17 protocols to connect the operators' video lottery game terminal
18 or terminals to the centralized computer system after such
19 terminal or terminals have been approved by the commission. No
20 video lottery game terminal shall be placed in operation without
21 first connecting to the centralized computer system after such
22 terminal or terminals have been approved by the commission. A
23 vendor that provides the centralized computer system authorized
24 under this subsection shall not be eligible to be licensed as a
25 video lottery game operator or video lottery game retailer. The
26 commission may impose an initial nonrefundable license
27 application fee as follows:

28 (a) For video lottery game manufacturers, video lottery

1 game distributors, and video lottery game operators, no more than
2 fifty thousand dollars;

3 (b) For video lottery game retailer establishments, no more
4 than five hundred dollars; or

5 (c) For video lottery game handlers, no more than one
6 hundred dollars.

7 (2) The initial license and first subsequent license
8 renewal shall be for a period of one year. Thereafter, license
9 renewal periods shall be four years with the applicable annual
10 renewal fee paid for each year such license is renewed. Annual
11 license renewal fees for anyone licensed pursuant to this
12 subsection shall be as follows:

13 (a) Five thousand dollars for video lottery game
14 manufacturers and video lottery game distributors;

15 (b) Five thousand dollars for video lottery game operators;

16 (c) Fifty dollars for video lottery game handlers; and

17 (d) Five hundred dollars for each video lottery game
18 retailer's establishment.

19 (3) In addition to the license fees required in
20 subdivisions (1) and (2) of this subsection, video lottery game
21 operators shall pay the commission an annual license fee of two
22 hundred dollars for each video lottery game terminal placed in
23 service. Such video lottery game terminal license shall be
24 renewed each year and cost two hundred dollars. A license issued
25 under this subsection is nontransferable.

26 (4) Nothing in this subsection shall be construed to
27 relieve the licensee of the affirmative duty to notify the
28 commission of any change relating to the status of the license or

1 to any other information contained in the application materials
2 on file with the commission.

3 4. No license shall be issued to any person, and no person
4 shall be allowed to serve as a sales agent, who has been
5 convicted of a felony or a crime involving illegal gambling.

6 5. No license requirement, sticker fee, or tax shall be
7 imposed by any local jurisdiction upon a video lottery game
8 manufacturer, video lottery game distributor, video lottery game
9 operator, video lottery game retailer, video lottery game
10 handler, or video lottery game terminal or an establishment
11 relating to the operation of video lottery games, video lottery
12 game terminals, or associated equipment.

13 6. (1) Video lottery game terminals shall meet independent
14 testing standards approved by the commission, as tested by one or
15 more approved independent test labs, and be capable of randomly
16 generating the outcome of video lottery games approved by the
17 commission. Video lottery game terminals shall be capable of
18 printing a ticket redeemable for winning video lottery game
19 plays. Such video lottery game terminals shall be inspected and
20 approved by the commission prior to being sold, leased, or
21 transferred.

22 (2) Licensed video lottery game manufacturers may buy,
23 sell, or lease new or refurbished video lottery game terminals to
24 and from licensed video lottery game distributors.

25 (3) Licensed video lottery game distributors may buy, sell,
26 or lease new or refurbished video lottery game terminals to or
27 from licensed video lottery game manufacturers or licensed video
28 lottery game operators.

1 7. (1) Licensed video lottery game operators:

2 (a) May buy, lease, or rent video lottery game terminals
3 from licensed video lottery game manufacturers, operators, or
4 distributors;

5 (b) May handle, place, and service video lottery game
6 terminals;

7 (c) Shall connect such video lottery game terminals to the
8 centralized computer system approved by the commission; and

9 (d) Shall pay winning tickets using a video lottery game
10 ticket redemption terminal, except that a ticket with winnings in
11 excess of six hundred dollars shall be redeemed at a Missouri
12 lottery office. Such video lottery ticket redemption terminal
13 shall be located within the video lottery game retailer's
14 establishment in direct proximity of where such video lottery
15 games are offered. Video lottery game operators shall pay the
16 commission thirty-two percent of any unclaimed cash prize
17 associated with a winning ticket that has not been redeemed
18 within one hundred eighty days of issue.

19
20 Rents or leases for video lottery game terminals shall be written
21 at a flat rate and shall not include revenue splitting as a
22 method used in the calculation of the lease or rent.

23 (2) Licensed video lottery game operators and licensed
24 video lottery game retailers shall enter into a written agreement
25 for the placement of video lottery game terminals. The agreement
26 shall be on a form approved by the commission and shall specify
27 an equal division of adjusted gross receipts between the video
28 lottery game operator and the video lottery game retailer after

1 adjustments for taxes and administrative fees are made. A video
2 lottery game operator shall be responsible for remitting to the
3 commission and the video lottery game retailer its share of
4 adjusted gross receipts. Nothing in this subdivision shall
5 prohibit a licensed video lottery game operator from entering
6 into an agreement with a sales agent for retailer agreements
7 provided such agreement is in writing and approved by the
8 commission. Video lottery game operators and their sales agents
9 and affiliates and video lottery game retailers are specifically
10 prohibited from offering anything of value, other than the
11 percentage of adjusted gross receipts provided under this
12 subsection, for the initial or continued placement of video
13 lottery game terminals. Persons violating this subdivision are
14 subject to the suspension or revocation of their video lottery
15 game operator's license.

16 (3) To combat problem gambling, video lottery game
17 operators shall allow players to be self-excluded from video
18 lottery game play. Operators shall provide the commission with a
19 list of players that have elected to be excluded from video
20 lottery game play within thirty days of such election and shall
21 update such list periodically as required by the commission.
22 Such self-excluded list shall be considered confidential
23 information and shall not be released to the public. The
24 commission shall issue such self-exclusion procedures by rule.

25 (4) Nothing in this section shall be construed to prevent a
26 video lottery game operator or a video lottery retailer from
27 using a player rewards system as approved by the commission. No
28 player shall be required to enroll in a rewards program offered

1 by a video lottery game operator or video lottery game retailer
2 as a condition to play video lottery games.

3 8. No licensed video lottery game operator shall:

4 (1) Offer video lottery gaming terminals that directly
5 dispense anything of value except for tickets for winning plays.
6 Tickets shall be dispensed by pressing the ticket dispensing
7 button on the video lottery gaming terminal at the end of any
8 video lottery game play. The ticket shall indicate the total
9 amount of video lottery game terminal credits and the cash award,
10 the time of day in a 24-hour format showing hours and minutes,
11 the date, the terminal serial number, the sequential number of
12 the ticket, and an encrypted validation number from which the
13 validity of the prize may be determined. The cost of the video
14 lottery game terminal credits shall be one cent, five cents, ten
15 cents, or twenty-five cents, and the maximum wager played per
16 video lottery game shall not exceed five dollars. No cash award
17 for the maximum wager played on any individual video lottery game
18 shall exceed one thousand dollars;

19 (2) Operate more than six video lottery game terminals at
20 one video lottery game retailer establishment;

21 (3) Advertise video lottery games outside of a licensed
22 video lottery game retailer's establishment through any media
23 outlets or direct mail or telephone solicitations. The
24 advertising prohibition contained in this subdivision shall apply
25 to all licensees including, but not limited to, video lottery
26 game manufacturers, video lottery game distributors, video
27 lottery game operators, video lottery game retailers, and video
28 lottery game handlers, except that a video lottery retailer may

1 participate in an advertising program that is promoted through
2 and sponsored by the state lottery and may advertise in or on the
3 outside of the establishment's building and parking lot;

4 (4) Allow video lottery games to be played at any time when
5 the video lottery game retailer's establishment is closed for
6 business.

7 9. (1) A person under twenty-one years of age shall not
8 play video lottery games, and such video lottery game terminals
9 shall be under the supervision of a person that is at least
10 twenty-one years of age to prevent persons under twenty-one years
11 of age from playing video lottery games. Video lottery game
12 terminals shall be placed in a fully enclosed room that is
13 continually monitored by video surveillance and where access to
14 persons under twenty-one years of age is denied. A warning sign
15 shall be posted in a conspicuous location where such video
16 lottery game terminals are located, containing in red lettering
17 at least one-half inch high on a white background the following:

18 "YOU MUST BE AT LEAST 21 YEARS OF AGE TO PLAY VIDEO LOTTERY
19 GAMES"

20
21 In addition to the placement and supervision requirements of this
22 subsection, a video lottery game operator shall provide video
23 surveillance in the immediate area of the video lottery game
24 retailer's establishment where video lottery game terminals are
25 located. Recorded video from such surveillance system shall be
26 made available to the commission upon request and shall be
27 reviewed by video lottery game operators as reasonably and
28 specifically requested by the commission for any violation of

1 law, rules or regulations governing the conduct of video lottery
2 games. A video lottery game operator that fails to review such
3 surveillance video and report any known violation of law, rules
4 or regulations governing the conduct of video lottery games in
5 conformance with established commission procedures may be subject
6 to an administrative fine not to exceed five thousand dollars.
7 Any video lottery game retailer that fails to report any known
8 violation of law, rules or regulations governing the conduct of
9 video lottery games in conformance with established commission
10 procedures may be subject to an administrative fine not to exceed
11 five thousand dollars. In the event a video lottery game
12 operator or retailer is found to have knowingly committed a
13 violation governing the conduct of video lottery games the
14 commission may impose an administrative fine not to exceed five
15 thousand dollars, suspend such operator's or retailer's license
16 for up to thirty days, or in the case of repeated violations
17 revoke such operator's or retailer's license for a period of one
18 year. Any video lottery game operator or retailer aggrieved by
19 the commission's decision in any disciplinary action that results
20 in the suspension or revocation of such operator's or retailer's
21 video lottery game license may appeal such decision by filing an
22 action in circuit court. The commission shall refer a violation
23 of the criminal code, with any evidence thereof, to the
24 appropriate law enforcement officials. Video lottery game
25 retailers shall provide an intrusion detection system capable of
26 detecting unauthorized entrance of the video lottery game
27 retailer's establishment during nonbusiness hours and shall
28 report to the commission any unauthorized entrance of the video

1 lottery game retailer's establishment. Such surveillance and
2 intrusion detection system shall meet specifications as defined
3 by the commission.

4 (2) A video lottery game operator shall post a sign in a
5 conspicuous location where such video lottery game terminals are
6 located, containing in red lettering at least one-half inch high
7 on a white background a telephone contact number (1-888-BETSOFF)
8 for the problem gambling helpline.

9 10. (1) Video lottery game operators shall pay the
10 commission thirty-six percent of the video lottery game adjusted
11 gross receipts, which shall be deposited in the state lottery
12 fund. The commission shall transfer, subject to appropriation,
13 the amount received from the operator from the lottery fund to
14 the lottery proceeds fund after administrative expenses equal to
15 four percent of the video lottery game adjusted gross receipts
16 are paid to the municipality where a licensed video lottery game
17 retailer maintains an establishment licensed for the operation of
18 video lottery game terminals, or if such licensed establishment
19 is not located within the corporate boundaries of a municipality,
20 then the county where such licensed establishment is located to
21 reimburse such municipality or county for administrative
22 expenses, and any administrative expenses for the commission that
23 are not covered by reimbursements from operators are deducted.
24 Net proceeds transferred to the lottery proceeds fund shall be
25 appropriated to public elementary and secondary education and
26 public institutions of higher education with an emphasis on
27 programs to promote science, technology, engineering, and
28 mathematics (STEM), including tutoring programs for math,

1 science, and reading skills, and programs to promote workforce
2 development.

3 (2) Video lottery game operators shall retain the remainder
4 of the video lottery game adjusted gross receipts, a portion of
5 which shall be utilized to pay for administrative expenses which
6 shall include the cost of the centralized computer system, which
7 cost shall be paid by video lottery game operators in proportion
8 to the number of video lottery game terminals operated. Fifty
9 percent of the costs of the centralized computer system shall be
10 apportioned by the video lottery game operator among video
11 lottery game retailers to which it provides operations based on
12 the number of video lottery game terminals located at the video
13 lottery game retailer's establishment. The remainder of adjusted
14 gross receipts retained by the video lottery game operator, after
15 the cost of the centralized computer system and administrative
16 costs are paid and apportioned, shall be divided equally between
17 the video lottery game operator and video lottery game retailer
18 as agreed under subdivision (2) of subsection 6 of this section.

19 11. All revenues received by the commission from license
20 fees and any reimbursements associated with the administration of
21 the provisions of sections 313.425 to 313.437, and all interest
22 earned thereon, shall be considered administrative expenses and
23 shall be deposited in the state lottery fund. Moneys deposited
24 into the state lottery fund from license fees and any
25 reimbursements of commission administrative expenses to
26 administer sections 313.425 to 313.437 shall be considered
27 administrative expenses and shall not be considered net proceeds
28 pursuant to Article III, Section 39(b) of the Missouri

1 Constitution. Subject to appropriation, up to one percent of
2 such license fees shall be deposited to the credit of the
3 compulsive gamblers fund created under section 313.842. The
4 remainder of the money deposited in the state lottery fund from
5 video lottery game license fees and any reimbursements of
6 commission administrative expenses to enforce sections 313.425 to
7 313.437 shall, subject to appropriation, be used for
8 administrative expenses associated with supervising and enforcing
9 the provisions of sections 313.425 to 313.437.

10 12. The commission shall contract with a state law
11 enforcement entity to assist in conducting investigations into
12 applicants for any video lottery game license and to investigate
13 violations by any retail lottery game licensee of any of the
14 provisions of sections 313.425 to 313.437 or state law regulating
15 illegal gambling activities. A video lottery game licensee
16 suspected of a violation shall be afforded an administrative
17 hearing on the record and any action taken to impose a fine on
18 such licensee, or to suspend or revoke the ability of a licensee
19 to offer lottery game products for sale, shall be appealed to the
20 commission. Any such administrative suspension or revocation
21 upheld by the commission may be appealed by the video lottery
22 game licensee in a state court of competent jurisdiction.

23 13. The possession or use of any video gaming terminal,
24 machine, or device capable of simulating lottery games, games of
25 chance, or gambling games, whether or not there is an element of
26 skill involved, that uses a video display and microprocessor
27 capable of randomly generating the outcome of such games that is
28 not authorized by the commission or the Missouri gaming

1 commission established pursuant to section 313.004, shall be a
2 violation of chapter 572 and shall be prosecuted as an illegal
3 gambling activity. The commission shall have the power to
4 investigate suspected violations by any lottery license holder
5 and to refer any violations or suspected violations to the
6 appropriate law enforcement authority. Any lottery vendor or
7 licensee that violates the provisions of this subsection shall be
8 deemed guilty of a class D felony and fined up to ten thousand
9 dollars per occurrence, and such fines shall be deposited in the
10 compulsive gamblers fund created under section 313.842. The
11 commission shall suspend or revoke the license of any lottery
12 vendor or licensee that allows the use of any video terminal,
13 machine, or device other than a video lottery game terminal
14 authorized pursuant to sections 313.425 to 313.437.

15 14. The commission shall adopt rules for the implementation
16 of the video lottery game system authorized under sections
17 313.425 to 313.437, including, but not limited to, the placement
18 of video lottery terminals within a retail establishment and for
19 the active oversight of the conduct of video lottery games. Any
20 rule or portion of a rule, as that term is defined in section
21 536.010 that is created under the authority delegated in this
22 section shall become effective only if it complies with and is
23 subject to all of the provisions of chapter 536, and, if
24 applicable, section 536.028. This section and chapter 536 are
25 nonseverable and if any of the powers vested with the general
26 assembly pursuant to chapter 536, to review, to delay the
27 effective date, or to disapprove and annul a rule are
28 subsequently held unconstitutional, then the grant of rulemaking

1 authority and any rule proposed or adopted after August 28, 2019,
2 shall be invalid and void.

3 313.431. In order to expedite the orderly implementation of
4 the video lottery game system authorized under sections 313.425
5 to 313.437, the commission shall:

6 (1) Contract for the supply and operation of a centralized
7 computer system for video lottery games within one hundred twenty
8 days of the effective date of this section;

9 (2) Make license applications for video lottery game
10 manufacturers, video lottery game distributors, video lottery
11 game operators, video lottery game retailers, and video lottery
12 game handlers available to applicants and promulgate any
13 emergency or regular rules and regulations needed for the
14 implementation of the video lottery system authorized under
15 sections 313.425 to 313.437 within one hundred twenty days of the
16 effective date of this section.

17 313.433. 1. Notwithstanding any other provision of law to
18 the contrary, participation by a person, firm, corporation, or
19 organization in any aspect of the state lottery under sections
20 313.425 to 313.437 shall not be construed to be a lottery or gift
21 enterprise in violation of section 39 of article III of the
22 Constitution of Missouri.

23 2. The sale of lottery tickets, shares, or lottery game
24 plays using a video lottery game terminal under sections 313.425
25 to 313.437 shall not constitute a valid reason to refuse to issue
26 or renew or to revoke or suspend any license or permit issued
27 under the provisions of chapter 311.

28 313.434. 1. The state of Missouri shall be exempt from the

1 provisions of 15 U.S.C. Section 1172.

2 2. All shipments of gaming devices used to conduct pull-tab
3 games or video lottery games authorized under sections 313.425 to
4 313.437 to licensees, the registering, recording, and labeling of
5 which have been completed by the manufacturer or distributor
6 thereof in accordance with 15 U.S.C. Sections 1171 to 1178, shall
7 be legal shipments of gambling devices into this state.

8 313.435. A municipality may adopt an ordinance prohibiting
9 video lottery game terminals within the corporate limits of such
10 municipality within one hundred eighty days from the effective
11 date of this act. A county commission may, for the
12 unincorporated area of the county, adopt an ordinance prohibiting
13 video lottery game terminals within the unincorporated area of
14 the county within one hundred eighty days from the effective date
15 of this act. The commission shall not license video lottery game
16 retailers within such area covered by such ordinance. Any such
17 municipality or county that has opted to prohibit the use of
18 video lottery game terminals to play video lottery games may
19 repeal such ordinance and upon such repeal the commission may
20 license video lottery game retailers within such municipality or
21 county to conduct video lottery games.

22 313.437. If any provision of sections 313.425 to 313.437 or
23 the application thereof to anyone or to any circumstance is held
24 invalid, the remainder of those sections and the application of
25 such provisions to others or other circumstances shall not be
26 affected thereby.

27 313.800. 1. As used in sections 313.800 to 313.850, unless
28 the context clearly requires otherwise, the following terms mean:

1 (1) "Adjusted gross receipts", the gross receipts from
2 licensed gambling games and devices less winnings paid to
3 wagerers. "Adjusted gross receipts" shall not include adjusted
4 gross receipts from sports wagering as defined in section
5 313.1000;

6 (2) "Applicant", any person applying for a license
7 authorized under the provisions of sections 313.800 to 313.850;

8 (3) "Bank", the elevations of ground which confine the
9 waters of the Mississippi or Missouri Rivers at the ordinary high
10 water mark as defined by common law;

11 (4) "Capital, cultural, and special law enforcement purpose
12 expenditures" shall include any disbursement, including
13 disbursements for principal, interest, and costs of issuance and
14 trustee administration related to any indebtedness, for the
15 acquisition of land, land improvements, buildings and building
16 improvements, vehicles, machinery, equipment, works of art,
17 intersections, signing, signalization, parking lot, bus stop,
18 station, garage, terminal, hanger, shelter, dock, wharf, rest
19 area, river port, airport, light rail, railroad, other mass
20 transit, pedestrian shopping malls and plazas, parks, lawns,
21 trees, and other landscape, convention center, roads, traffic
22 control devices, sidewalks, alleys, ramps, tunnels, overpasses
23 and underpasses, utilities, streetscape, lighting, trash
24 receptacles, marquees, paintings, murals, fountains, sculptures,
25 water and sewer systems, dams, drainage systems, creek bank
26 restoration, any asset with a useful life greater than one year,
27 cultural events, and any expenditure related to a law enforcement
28 officer deployed as horse-mounted patrol, school resource or drug

1 awareness resistance education (D.A.R.E) officer;

2 (5) "Cheat", to alter the selection of criteria which
3 determine the result of a gambling game or the amount or
4 frequency of payment in a gambling game;

5 (6) "Commission", the Missouri gaming commission;

6 (7) "Credit instrument", a written check, negotiable
7 instrument, automatic bank draft or other authorization from a
8 qualified person to an excursion gambling boat licensee or any of
9 its affiliated companies licensed by the commission authorizing
10 the licensee to withdraw the amount of credit extended by the
11 licensee to such person from the qualified person's banking
12 account in an amount determined under section 313.817 on or after
13 a date certain of not more than thirty days from the date the
14 credit was extended, and includes any such writing taken in
15 consolidation, redemption or payment of a previous credit
16 instrument, but does not include any interest-bearing installment
17 loan or other extension of credit secured by collateral;

18 (8) "Dock", the location in a city or county authorized
19 under subsection 10 of section 313.812 which contains any natural
20 or artificial space, inlet, hollow, or basin, in or adjacent to a
21 bank of the Mississippi or Missouri Rivers, next to a wharf or
22 landing devoted to the embarking of passengers on and
23 disembarking of passengers from a gambling excursion but shall
24 not include any artificial space created after May 20, 1994, and
25 is located more than one thousand feet from the closest edge of
26 the main channel of the river as established by the United States
27 Army Corps of Engineers;

28 (9) "Excursion gambling boat", a boat, ferry or other

1 floating facility licensed by the commission on which gambling
2 games are allowed;

3 (10) "Fiscal year" shall for the purposes of [subsections 3
4 and 4 of] section 313.820 mean the fiscal year of a home dock
5 city or county;

6 (11) "Floating facility", any facility built or originally
7 built as a boat, ferry or barge licensed by the commission on
8 which gambling games are allowed;

9 (12) "Gambling excursion", the time during which gambling
10 games may be operated on an excursion gambling boat whether
11 docked or during a cruise;

12 (13) "Gambling game" includes, but is not limited to, games
13 of skill or games of chance on an excursion gambling boat [but
14 does not include gambling on sporting events]; provided such
15 games of chance are approved by amendment to the Missouri
16 Constitution;

17 (14) "Games of chance", any gambling game in which the
18 player's expected return is not favorably increased by his or her
19 reason, foresight, dexterity, sagacity, design, information or
20 strategy;

21 (15) "Games of skill", any gambling game in which there is
22 an opportunity for the player to use his or her reason,
23 foresight, dexterity, sagacity, design, information or strategy
24 to favorably increase the player's expected return; including,
25 but not limited to, the gambling games known as "poker",
26 "blackjack" (twenty-one), "craps", "Caribbean stud", "pai gow
27 poker", "Texas hold'em", "double down stud", sports wagering, and
28 any video representation of such games;

1 (16) "Gross receipts", the total sums wagered by patrons of
2 licensed gambling games;

3 (17) "Holder of occupational license", a person licensed by
4 the commission to perform an occupation within excursion gambling
5 boat operations which the commission has identified as requiring
6 a license;

7 (18) "Licensee", any person licensed under sections 313.800
8 to 313.850;

9 (19) "Mississippi River" and "Missouri River", the water,
10 bed and banks of those rivers, including any space filled by the
11 water of those rivers for docking purposes in a manner approved
12 by the commission but shall not include any artificial space
13 created after May 20, 1994, and is located more than one thousand
14 feet from the closest edge of the main channel of the river as
15 established by the United States Army Corps of Engineers;

16 (20) "Supplier", a person who sells or leases gambling
17 equipment and gambling supplies to any licensee.

18 2. In addition to the games of skill defined in this
19 section, the commission may approve other games of skill upon
20 receiving a petition requesting approval of a gambling game from
21 any applicant or licensee. The commission may set the matter for
22 hearing by serving the applicant or licensee with written notice
23 of the time and place of the hearing not less than five days
24 prior to the date of the hearing and posting a public notice at
25 each commission office. The commission shall require the
26 applicant or licensee to pay the cost of placing a notice in a
27 newspaper of general circulation in the applicant's or licensee's
28 home dock city or county. The burden of proof that the gambling

1 game is a game of skill is at all times on the petitioner. The
2 petitioner shall have the affirmative responsibility of
3 establishing his or her case by a preponderance of evidence
4 including:

5 (1) Is it in the best interest of gaming to allow the game;
6 and

7 (2) Is the gambling game a game of chance or a game of
8 skill?

9
10 All testimony shall be given under oath or affirmation. Any
11 citizen of this state shall have the opportunity to testify on
12 the merits of the petition. The commission may subpoena
13 witnesses to offer expert testimony. Upon conclusion of the
14 hearing, the commission shall evaluate the record of the hearing
15 and issue written findings of fact that shall be based
16 exclusively on the evidence and on matters officially noticed.
17 The commission shall then render a written decision on the merits
18 which shall contain findings of fact, conclusions of law and a
19 final commission order. The final commission order shall be
20 within thirty days of the hearing. Copies of the final
21 commission order shall be served on the petitioner by certified
22 or overnight express mail, postage prepaid, or by personal
23 delivery.

24 313.1000. As used in sections 313.1000 to 313.1020, the
25 following terms shall mean:

26 (1) "Adjusted gross receipts":

27 (a) The total of all cash and cash equivalents received by
28 a sports wagering operator from sports wagering minus:

1 (b) The total of:

2 a. All cash and cash equivalents paid out as winnings to
3 sports wagering patrons;

4 b. The actual costs paid by a sports wagering operator for
5 any personal property or services distributed to sports wagering
6 patrons as prizes;

7 c. Voided wagers; and

8 d. Uncollectible sports wagering receivables, not to exceed
9 the lesser of:

10 (i) A reasonable provision for uncollectible patron checks
11 received from sports wagering operations; or

12 (ii) Two percent of the total of all sums, including
13 checks, whether collected or not, less the amount paid out as
14 winnings to sports wagering patrons. For purposes of this
15 section, a counter or personal check that is invalid or
16 unenforceable under this section is considered cash received by
17 the sports wagering operator from sports wagering operations;

18 (2) "Certificate holder", a licensed applicant issued a
19 certificate of authority by the commission;

20 (3) "Certificate of authority", a certificate issued by the
21 commission authorizing a licensed applicant to conduct sports
22 wagering under sections 313.1000 to 313.1022;

23 (4) "Commission", the Missouri gaming commission;

24 (5) "Department", the department of revenue;

25 (6) "Excursion gambling boat", the same meaning as defined
26 under section 313.800;

27 (7) "Gross receipts", the total amount of cash and cash
28 equivalents paid by sports wagering patrons to a sports wagering

1 operator to participate in sports wagering;

2 (8) "Interactive sports wagering platform" or "platform", a
3 person that offers sports wagering over the internet, including
4 on internet websites and mobile devices on behalf of a
5 certificate holder;

6 (9) "Licensed applicant", a person holding a license issued
7 under section 313.807 to operate an excursion gambling boat;

8 (10) "Licensed facility", an excursion gambling boat
9 licensed under this chapter;

10 (11) "Licensed supplier", a person holding a supplier's
11 license issued by the commission;

12 (12) "Occupational license", a license issued by the
13 commission;

14 (13) "Official league data", statistics, results, outcomes,
15 and other data relating to an athletic or sporting event obtained
16 pursuant to an agreement with the relevant sports governing body,
17 or an entity expressly authorized by the sports governing body to
18 provide such information to sports wagering operators, which
19 authorizes the use of such data for determining the outcome of
20 tier two sports wagers;

21 (14) "Person", an individual, sole proprietorship,
22 partnership, association, fiduciary, corporation, limited
23 liability company, or any other business entity;

24 (15) "Registered sports governing body", a sports governing
25 body that is headquartered in the United States and who has
26 registered with the commission under sections 313.1000 to
27 313.1022. The term shall not include the National Collegiate
28 Athletic Association;

1 (16) "Sports governing body", the organization that
2 prescribes final rules and enforces codes of conduct with respect
3 to a sporting event and participants therein;

4 (17) "Sports wagering", wagering conducted under sections
5 313.1000 to 313.1022 on athletic and sporting events involving
6 human competitors or on other events as approved by the
7 commission. Sports wagering shall not include money spent to
8 participate in paid fantasy sports under sections 313.900 to
9 313.955;

10 (18) "Sports wagering device", a mechanical, electrical, or
11 computerized contrivance, terminal, device, apparatus, piece of
12 equipment, or supply approved by the commission for conducting
13 sports wagering under sections 313.1000 to 313.1022. Sports
14 wagering device shall not include a device used by a sports
15 wagering patron to access an interactive sports wagering
16 platform;

17 (19) "Sports wagering operator" or "operator", a
18 certificate holder or an interactive sports wagering platform
19 offering sports wagering on behalf of a certificate holder;

20 (20) "Supplier's license", a license issued by the
21 commission under section 313.807;

22 (21) "Tier one sports wager", a sports wager that is
23 determined solely by the final score or final outcome of the
24 sporting event and is placed before the sporting event has begun;

25 (22) "Tier two sports wager", a sports wager that is not a
26 tier one sports wager.

27 313.1002. 1. The state of Missouri shall be exempt from
28 the provisions of 15 U.S.C. Section 1172.

1 2. All shipments of gambling devices used to conduct sports
2 wagering under sections 313.1000 to 313.1022 to licensed
3 applicants or certificate holders, the registering, recording,
4 and labeling of which have been completed by the manufacturer or
5 dealer thereof in accordance with 15 U.S.C. Sections 1171 to
6 1178, shall be legal shipments of gambling devices into this
7 state.

8 313.1003. 1. Sports wagering shall not be offered in this
9 state except by a licensed facility.

10 2. A licensed facility may offer sports wagering:

11 (1) In person at the licensed facility; and

12 (2) Over the internet via an interactive sports wagering
13 platform to persons physically located in this state.

14 313.1004. 1. The commission shall adopt rules to implement
15 the provisions of sections 313.1000 to 313.1022. Any rule or
16 portion of a rule, as that term is defined in section 536.010,
17 that is created under the authority delegated in this section
18 shall become effective only if it complies with and is subject to
19 all of the provisions of chapter 536, and, if applicable, section
20 536.028. This section and chapter 536 are nonseverable and if
21 any of the powers vested with the general assembly pursuant to
22 chapter 536 to review, to delay the effective date, or to
23 disapprove and annul a rule are subsequently held
24 unconstitutional, then the grant of rulemaking authority and any
25 rule proposed or adopted after August 28, 2019, shall be invalid
26 and void.

27 2. Rules adopted under this section shall include, but
28 shall not be limited to, the following:

- 1 (1) Standards for the conduct of sports wagering;
2 (2) Standards and procedures to govern the conduct of
3 sports wagering, including the manner in which:
4 (a) Wagers are received;
5 (b) Payouts are paid; and
6 (c) Point spreads, lines, and odds are disclosed;
7 (3) Standards governing how a certificate holder offers
8 sports wagering over the internet through an interactive sports
9 wagering platform to patrons physically located in Missouri;
10 (4) The manner in which a certificate holder's books and
11 financial records relating to sports wagering are maintained and
12 audited, including standards for the daily counting of a
13 certificate holder's gross receipts from sports wagering and
14 standards to ensure that internal controls are followed;
15 (5) Standards concerning the detection and prevention of
16 compulsive gambling.
- 17 3. Rules adopted under this section shall require a
18 certificate holder to make commercially reasonable efforts to do
19 the following:
- 20 (1) Designate an area within the licensed facility operated
21 by the certificate holder for sports wagering conducted under
22 sections 313.1000 to 313.1022;
- 23 (2) Ensure the security and integrity of sports wagers
24 accepted through an interactive sports wagering platform;
- 25 (3) Ensure that the certificate holder's surveillance
26 system covers all areas of the licensed facility in which sports
27 wagering is conducted;
- 28 (4) Allow the commission to be present through the

1 commission's gaming agents during the time sports wagering is
2 conducted in all areas of the certificate holder's licensed
3 facility in which sports wagering is conducted, to do the
4 following:

5 (a) Ensure maximum security of the counting and storage of
6 the sports wagering revenue received by the certificate holder;

7 (b) Certify the sports wagering revenue received by the
8 certificate holder;

9 (c) Receive complaints from the public;

10 (5) Ensure that individuals who are less than twenty-one
11 years of age do not make sports wagers;

12 (6) Provide written information to sports wagering patrons
13 about sports wagering, payouts, winning wagers, and other
14 information considered relevant by the commission;

15 (7) Post a sign in the designated sports wagering area
16 indicating the minimum and maximum amounts that may be wagered.

17 313.1006. 1. A licensed applicant who wishes to offer
18 sports wagering under sections 313.1000 to 313.1022 shall:

19 (1) Submit an application to the commission in the manner
20 prescribed by the commission for each licensed facility in which
21 the licensed applicant wishes to conduct sports wagering;

22 (2) Pay an initial application fee of twenty-five thousand
23 dollars, which shall be deposited in the gaming commission fund
24 and distributed according to section 313.835.

25 2. Upon receipt of the application and fee required under
26 subsection 1 of this section, the commission shall issue a
27 certificate of authority to a licensed applicant authorizing the
28 licensed applicant to conduct sports wagering under sections

1 313.1000 to 313.1022 in a licensed facility or through an
2 interactive sports wagering platform.

3 313.1008. 1. The commission shall test new sports wagering
4 devices and new forms, variations, or composites of sports
5 wagering under the terms and conditions that the commission
6 considers appropriate prior to authorizing a certificate holder
7 to offer a new sports wagering device or a new form, variation,
8 or composite of sports wagering.

9 2. (1) A certificate holder shall designate an area or
10 areas within the certificate holder's licensed facility for
11 conducting sports wagering.

12 (2) A certificate holder may administer or contract with up
13 to three individually branded interactive sports wagering
14 platforms to administer interactive sports wagering on the
15 certificate holder's behalf.

16 3. (1) Sports wagering may be conducted with chips,
17 tokens, electronic cards, or money or other negotiable currency.

18 (2) A certificate holder shall determine the minimum and
19 maximum wagers in sports wagering conducted in the certificate
20 holder's licensed facility.

21 4. A certificate holder shall not permit any sports
22 wagering on the premises of the licensed facility except as
23 provided under subsection 2 of this section.

24 5. A sports wagering device shall be approved by the
25 commission and acquired by a certificate holder from a licensed
26 supplier.

27 6. The commission shall determine the occupations related
28 to sports wagering that require an occupational license.

1 7. A certificate holder may lay off one or more sports
2 wagers. The commission may promulgate rules permitting
3 certificate holders or platforms to employ systems that offset
4 loss or manage risk in the operation of sports wagering under
5 sections 313.1000 to 313.1022 through the use of liquidity pools
6 in other jurisdictions in which the certificate holder, platform,
7 an affiliate of the certificate holder or platform, or a third
8 party also holds licenses to conduct sports wagering; provided
9 that at all times adequate protections are maintained to ensure
10 sufficient funds are available to pay winnings to patrons.

11 8. Subject to the approval of the commission, a certificate
12 holder may contract with a third party to conduct sports wagering
13 at the certificate holder's licensed facility.

14 313.1010. 1. An interactive sports wagering platform
15 provider may offer sports wagering on behalf of a certificate
16 holder only if the interactive sports wagering platform holds an
17 interactive sports wagering platform license issued by the
18 commission.

19 2. An applicant for an interactive sports wagering platform
20 license shall:

21 (1) Submit an application to the commission in the manner
22 prescribed by the commission to verify the platform's eligibility
23 under this section; and

24 (2) Pay an initial application fee of twenty-five thousand
25 dollars.

26 3. Each year on or before the anniversary date of the
27 payment of the initial application fee under subsection 2 of this
28 section, an interactive sports wagering platform provider holding

1 a license issued under this section shall pay to the commission
2 an annual license renewal fee of fifty thousand dollars. Such
3 license renewal fees and the initial application fee provided for
4 under subdivision (2) of subsection 2 of this section shall be
5 deposited in the gaming commission fund and distributed according
6 to section 313.835.

7 4. Notwithstanding any other provision of law to the
8 contrary, the following information shall be confidential and
9 shall not be disclosed to the public unless required by court
10 order or by any other provision of section 313.1000 to 313.1022:

11 (1) An interactive sports wagering platform license
12 application; and

13 (2) All documents, reports, and data submitted by an
14 interactive sports wagering platform provider to the commission
15 containing proprietary information, trade secrets, financial
16 information, or personally identifiable information about any
17 person.

18 313.1012. 1. A certificate holder shall verify that a
19 person placing a wager is of the legal minimum age for placing a
20 wager under sections 313.1000 to 313.1022.

21 2. The commission shall adopt rules and regulations for a
22 sports wagering self-exclusion program consistent with those
23 adopted under sections 313.800 to 313.850. Any rule or portion
24 of a rule, as that term is defined in section 536.010, that is
25 created under the authority delegated in this section shall
26 become effective only if it complies with and is subject to all
27 of the provisions of chapter 536, and, if applicable, section
28 536.028. This section and chapter 536 are nonseverable and if

1 any of the powers vested with the general assembly pursuant to
2 chapter 536 to review, to delay the effective date, or to
3 disapprove and annul a rule are subsequently held
4 unconstitutional, then the grant of rulemaking authority and any
5 rule proposed or adopted after August 28, 2019, shall be invalid
6 and void.

7 3. The commission shall adopt rules to ensure that
8 advertisements for sports wagering:

9 (1) Do not target minors or other persons who are
10 ineligible to place wagers, problem gamblers, or other vulnerable
11 persons;

12 (2) Disclose the identity of the sports wagering
13 certificate holder;

14 (3) Provide information about or links to resources
15 relating to gambling addiction; and

16 (4) Are not otherwise false, misleading, or deceptive to a
17 reasonable consumer.

18 313.1014. 1. The commission shall conduct background
19 checks on individuals seeking licenses under sections 313.1000 to
20 313.1022. A background check conducted under this section shall
21 be consistent with the provisions of section 313.810, and shall
22 include a search for criminal history and any charges or
23 convictions involving corruption or manipulation of sporting
24 events.

25 2. (1) A certificate holder shall employ commercially
26 reasonable methods to:

27 (a) Prohibit the certificate holder, directors, officers,
28 and employees of the certificate holder, and any relative living

1 in the same household of a person described in this paragraph
2 from placing sports wagers with the certificate holder;

3 (b) Prohibit any individual with access to nonpublic
4 confidential information held by the certificate holder from
5 placing sports wagers with the certificate holder;

6 (c) Prevent the sharing of confidential information that
7 could affect sports wagering offered by the certificate holder or
8 by third parties until the information is made publicly
9 available; and

10 (d) Prohibit persons from placing sports wagers as agents
11 or proxies for other persons.

12 (2) Nothing in this section shall preclude the use of
13 internet or cloud based hosting of data, or any disclosure of
14 information required by court order or other provisions of law.

15 3. (1) A sports governing body may notify the commission
16 that it desires to restrict, limit, or exclude sports wagers on
17 its sporting events by providing notice in the form and manner as
18 the commission may require, including, without limitation,
19 restrictions on the sources of data and associated video upon
20 which an operator may rely in offering and paying wagers and the
21 bet types that may be offered. Upon receiving such notice, the
22 commission shall only deny a request if it deems such request
23 arbitrary and capricious. If the commission denies a request,
24 the sports governing body shall be afforded notice and the right
25 to be heard and offer proof in opposition to such determination
26 in accordance with the regulations of the commission. Offering
27 or taking wagers contrary to restrictions promulgated by the
28 commission is a violation of this section. Except in relation to

1 an emergency situation as provided in subdivision (2) of this
2 subsection, the provisions of this subsection shall not apply to
3 tier one sports wagers on non-exhibition games or events of
4 professional sports organizations or the National Collegiate
5 Athletics Association. For the purposes of this subsection,
6 "professional sports organization" shall include, but shall not
7 be limited to, the National Football League, Major League
8 Baseball, the National Basketball Association, the National
9 Hockey League, Major League Soccer, and the Professional Golfers
10 Association. Such term shall not include minor league baseball
11 or any other developmental league, whether or not such league is
12 affiliated with a professional sports organization.

13 (2) In the event that a request is submitted in relation to
14 an emergency situation, the executive director of the commission
15 may temporarily grant the request of the sports governing body
16 until the commission makes a final determination as to whether
17 such request is arbitrary and capricious.

18 4. The commission and certificate holders shall cooperate
19 with investigations conducted by law enforcement agencies,
20 including by providing or facilitating the provision of betting
21 information and audio or video files relating to persons placing
22 sports wagers.

23 5. A certificate holder shall immediately report to the
24 commission any information relating to:

25 (1) Criminal or disciplinary proceedings commenced against
26 the certificate holder in connection with its operations;

27 (2) Bets or wagers that violate state or federal law;

28 (3) Abnormal wagering activity or patterns that may

1 indicate a concern regarding the integrity of a sporting event or
2 events;

3 (4) Any other conduct that corrupts the wagering outcome of
4 a sporting event or events for purposes of financial gain; and

5 (5) Suspicious or illegal wagering activities.

6 6. A certificate holder shall maintain the confidentiality
7 of information provided by a sports governing body to the
8 certificate holder unless disclosure is required by court order,
9 the commission, or any other provision of law.

10 7. Except as provided in subsection 8 of this section,
11 certificate holders may use any data source to determine the
12 results of sports wagers, provided the data is not obtained
13 directly or indirectly from live event attendees who collect the
14 data in violation of the terms of admittance to an event or
15 through automated computer programs that compile data from the
16 internet in violation of the terms of service of the relevant
17 website or other internet platform.

18 8. A sports governing body may notify the commission that
19 it desires to supply official league data to certificate holders
20 for determining the results of tier two sports wagers. Such
21 notification shall be made in the form and manner as the
22 commission may require. Within thirty days of such notification
23 by a sports governing body, certificate holders shall use only
24 official league data to determine the results of tier two wagers,
25 unless the certificate holder can demonstrate to the commission
26 that the sports governing body or its designee cannot provide a
27 feed of official league data to the certificate holder on
28 commercially reasonable terms.

1 313.1016. 1. A certificate holder, for bets and wagers
2 that exceed ten thousand dollars in a twenty-four-hour period and
3 that were placed in person by a patron, shall maintain the
4 following records for a period of at least three years after the
5 sporting event occurs:

6 (1) Personally identifiable information of the bettor;

7 (2) The amount and type of bet placed;

8 (3) The time and date the bet was placed;

9 (4) The location, including specific information pertaining
10 to the betting window where the bet was placed;

11 (5) The outcome of the bet; and

12 (6) Any discernable pattern of abnormal betting activity by
13 the patron.

14 2. A certificate holder, for all bets and wagers placed
15 through an interactive sports wagering platform, shall maintain
16 the following records for a period of at least three years after
17 the sporting event occurs:

18 (1) Personally identifiable information of the bettor;

19 (2) The amount and type of bet placed;

20 (3) The time and date the bet was placed;

21 (4) The location, including specific information pertaining
22 to the internet protocol address, where the bet was placed;

23 (5) The outcome of the bet; and

24 (6) Any discernable pattern of abnormal betting activity by
25 the patron.

26 3. A certificate holder shall make the records and data
27 that it is required to maintain under this section available for
28 inspection upon request of the commission or as required by court

1 order.

2 4. If a sports governing body has notified the commission
3 that real-time information sharing for wagers placed on its
4 sporting events is necessary and desirable, sports wagering
5 operators shall share in real time, at the account level, and in
6 pseudonymous form, the information required to be retained
7 under subsections 1 and 2 of this section, other than video
8 files, with the sports governing body or its designee with
9 respect to wagers on its sporting events. Such information may
10 be used by a sports governing body solely for integrity purposes.

11 313.1018. 1. The performance of any act required, or the
12 forbearance of any act prohibited, by sections 313.1000 to
13 313.1022, by an interactive sports wagering platform provider is
14 imputed to the certificate holder on behalf of which the platform
15 is operating, and vice versa.

16 2. A certificate holder is not liable under the laws of
17 this state to any party, including patrons, for disclosing
18 information as required under sections 313.1000 to 313.1022, and
19 is not liable for refusing to disclose information unless
20 required under sections 313.1000 to 313.1022.

21 3. Any person, firm, corporation, association, agent, or
22 employee who knowingly violates any procedure implemented under
23 sections 313.1000 to 313.1022 shall be liable for a civil penalty
24 of not more than five thousand dollars for each violation, not to
25 exceed fifty thousand dollars for violations arising out of the
26 same transaction or occurrence, which shall accrue to the state
27 and may be recovered in a civil action brought by the commission.
28 Any licensee who violates any provision under sections 313.1000

1 to 313.1022 shall be subject to the actions and penalties
2 provided under subdivision (6) of section 313.805, excluding any
3 financial penalties in excess of those provided under this
4 subsection.

5 4. (1) Any person, firm, corporation, association, agent,
6 or employee who:

7 (a) Places, or causes to be placed, a bet or wager on the
8 basis of material nonpublic information relating to that bet or
9 wager; or

10 (b) Knowingly engages in, facilitates, or conceals conduct
11 that intends to improperly influence a betting outcome of a
12 sporting event for purposes of financial gain, in connection with
13 betting or wagering on a sporting event,

14
15 shall be guilty of a class E felony.

16 (2) For the purposes of this subsection, a bet or wager
17 shall be "on the basis of material nonpublic information" if the
18 person placing the bet or wager, or causing it to be placed, was
19 aware of the material nonpublic information when such person
20 placed the bet or wager or caused it to be placed.

21 313.1019. 1. A sports governing body may register with the
22 commission if the sports governing body is headquartered in the
23 United States and it completes such registration form as the
24 commission may require. Upon submission of a completed
25 registration form to the commission, the eligible sports
26 governing body shall be deemed registered and shall be entitled
27 to receive the royalty fee provided for under this section.

28 2. Within thirty days of the end of each calendar quarter,

1 a certificate holder shall remit to the commission a royalty fee
2 of one-quarter of one percent of the amount wagered on sporting
3 events conducted by registered sports governing bodies during the
4 previous calendar quarter.

5 3. The royalty fee shall be remitted on a form as the
6 commission may require, on which the certificate holder shall
7 identify the percentage of wagering during the reporting period
8 attributable to each registered sports governing body's sporting
9 events.

10 4. No later than April thirtieth of each year, a registered
11 sports governing body may submit a request for disbursement of
12 funds remitted by certificate holders in the previous calendar
13 year. The commission shall disburse the funds to the registered
14 sports governing body in pro rata proportion of the total amount
15 wagered on its sporting events. No registered sports governing
16 body shall be required to obtain a license from the commission in
17 order to lawfully accept the funds provided for in this
18 subsection.

19 5. The commission shall annually publish a report stating
20 the amount received from certificate holders in royalty fees and
21 the amount paid to registered sports governing bodies.

22 6. Any unclaimed royalty fees shall be distributed to the
23 certificate holders that timely remitted the royalties required
24 under this section to the commission. Such royalties shall be
25 distributed to the eligible certificate holders on a pro rata
26 basis.

27 7. The commission shall cooperate with a registered sports
28 governing body and certificate holders to ensure the timely,

1 efficient, and accurate sharing of information and the remittance
2 of the royalty fee to the registered sports governing body or its
3 designee.

4 313.1020. 1. Within thirty days of the end of each
5 calendar quarter, a certificate holder shall remit to the
6 commission a royalty fee of one-quarter of one percent of the
7 amounts wagered on:

8 (1) Sporting events involving at least one National
9 Collegiate Athletic Association Football Bowl Subdivision
10 football team; and

11 (2) Sporting events involving at least one National
12 Collegiate Athletic Association Division I basketball team.

13 2. No later than April thirtieth of each year, the
14 commission shall disburse the royalty fees collected from
15 certificate holders under this section as follows:

16 (1) The royalty fees collected under subdivision (1) of
17 subsection 1 of this section shall be distributed evenly among
18 the public universities in this state that sponsor National
19 Collegiate Athletic Association Football Bowl Subdivision
20 football teams; and

21 (2) The royalty fees collected under subdivision (2) of
22 subsection 1 of this section shall be distributed evenly among
23 the public universities in this state that sponsor National
24 Collegiate Athletic Association Division I basketball teams.

25 3. The royalty fees received by public universities under
26 this section shall be used solely for athletics compliance.

27 313.1021. 1. A wagering tax of nine percent is imposed on
28 the adjusted gross receipts received from sports wagering

1 conducted by a certificate holder under sections 313.1000 to
2 313.1022. If a third party is contracted with to conduct sports
3 wagering at a certificate holder's licensed facility, the third
4 party contractor shall fulfill the certificate holder's duties
5 under this section.

6 2. A certificate holder shall remit the tax imposed by
7 subsection 1 of this section to the department before the close
8 of the business day one day prior to the last business day of
9 each month for the wagering taxes collected for such month. Any
10 taxes collected during the month, but after the day on which the
11 taxes are required to be paid to the department, shall be paid to
12 the department at the same time the following month's taxes are
13 due.

14 3. The payment of the tax under this section shall be by an
15 electronic funds transfer by an automated clearinghouse.

16 4. Revenues received from the tax imposed under subsection
17 1 of this section shall be deposited in the state treasury to the
18 credit of the "Gaming Proceeds for Education Fund" and shall be
19 distributed as provided under section 313.822.

20 5. (1) A certificate holder shall pay to the commission an
21 annual administrative fee of fifty thousand dollars. The fee
22 imposed shall be due one year after the date on which the
23 certificate holder commences sports wagering operations under
24 sections 313.1000 to 313.1022, and on each annual anniversary
25 date thereafter. The commission shall deposit the administrative
26 fees received under this subsection in the gaming commission fund
27 and shall distribute such fees according to section 313.835.

28 (2) In addition to the annual administrative fee required

1 under this subsection, a certificate holder shall pay to the
2 commission a fee of ten thousand dollars to cover the costs of a
3 full reinvestigation of the certificate holder in the fifth year
4 after the date on which the certificate holder commences sports
5 wagering operations under sections 313.1000 to 313.1022 and on
6 each fifth year thereafter. The commission shall deposit the
7 fees received under this subdivision in the gaming commission
8 fund and shall distribute such fees according to section 313.835.

9 313.1022. All sports wagers authorized under sections
10 313.1000 to 313.1022 shall be deemed initiated, received, and
11 otherwise made on the property of an excursion gambling boat
12 within this state. Consistent with the intent of the United
13 States Congress as articulated in the Unlawful Internet Gambling
14 Enforcement Act of 2006, 31 U.S.C. Sections 5361 to 5367, as
15 amended, the intermediate routing of electronic data relating to
16 lawful intrastate sports wagers authorized under sections
17 313.1000 to 313.1022 shall not determine the location or
18 locations in which such wager is initiated, received, or
19 otherwise made.

20 572.010. As used in this chapter the following terms mean:

21 (1) "Advance gambling activity", a person advances gambling
22 activity if, acting other than as a player, he or she engages in
23 conduct that materially aids any form of gambling activity.
24 Conduct of this nature includes but is not limited to conduct
25 directed toward the creation or establishment of the particular
26 game, lottery, contest, scheme, device or activity involved,
27 toward the acquisition or maintenance of premises, paraphernalia,
28 equipment or apparatus therefor, toward the solicitation or

1 inducement of persons to participate therein, toward the actual
2 conduct of the playing phases thereof, toward the arrangement or
3 communication of any of its financial or recording phases, or
4 toward any other phase of its operation. A person advances
5 gambling activity if, having substantial proprietary control or
6 other authoritative control over premises being used with his or
7 her knowledge for purposes of gambling activity, he or she
8 permits that activity to occur or continue or makes no effort to
9 prevent its occurrence or continuation. The supplying, servicing
10 and operation of a licensed excursion gambling boat under
11 sections 313.800 to 313.840 does not constitute advancing
12 gambling activity;

13 (2) "Bookmaking", advancing gambling activity by unlawfully
14 accepting bets from members of the public as a business, rather
15 than in a casual or personal fashion, upon the outcomes of future
16 contingent events;

17 (3) "Contest of chance", any contest, game, gaming scheme
18 or gaming device in which the outcome depends in a material
19 degree upon an element of chance, notwithstanding that the skill
20 of the contestants may also be a factor therein;

21 (4) "Gambling", a person engages in gambling when he or she
22 stakes or risks something of value upon the outcome of a contest
23 of chance or a future contingent event not under his or her
24 control or influence, upon an agreement or understanding that he
25 or she will receive something of value in the event of a certain
26 outcome. Gambling does not include bona fide business
27 transactions valid under the law of contracts, including but not
28 limited to contracts for the purchase or sale at a future date of

1 securities or commodities, and agreements to compensate for loss
2 caused by the happening of chance, including but not limited to
3 contracts of indemnity or guaranty and life, health or accident
4 insurance; nor does gambling include playing an amusement device
5 that confers only an immediate right of replay not exchangeable
6 for something of value. Gambling does not include any licensed
7 activity, or persons participating in such games which are
8 covered by sections 313.800 to 313.840;

9 (5) "Gambling device", any device, machine, paraphernalia
10 or equipment that:

11 (a) Is not approved by the Missouri gaming commission or
12 state lottery commission under the provisions of chapter 313;

13 (b) Contains a random number generator where prize payout
14 percentages are controlled or adjustable;

15 (c) Is used in any scenario where cash prizes are involved
16 or any prize is converted to cash or monetary credit of any kind
17 related to the use of the gambling device; and

18 (d) Is used or usable in the playing phases of any gambling
19 activity, whether that activity consists of gambling between
20 persons or gambling by a person with a machine. However, lottery
21 tickets, policy slips and other items used in the playing phases
22 of lottery and policy schemes are not gambling devices within
23 this definition;

24 (6) "Gambling record", any article, instrument, record,
25 receipt, ticket, certificate, token, slip or notation used or
26 intended to be used in connection with unlawful gambling
27 activity;

28 (7) "Lottery" or "policy", an unlawful gambling scheme in

1 which for a consideration the participants are given an
2 opportunity to win something of value, the award of which is
3 determined by chance;

4 (8) "Player", a person who engages in any form of gambling
5 solely as a contestant or bettor, without receiving or becoming
6 entitled to receive any profit therefrom other than personal
7 gambling winnings, and without otherwise rendering any material
8 assistance to the establishment, conduct or operation of the
9 particular gambling activity. A person who gambles at a social
10 game of chance on equal terms with the other participants therein
11 does not otherwise render material assistance to the
12 establishment, conduct or operation thereof by performing,
13 without fee or remuneration, acts directed toward the arrangement
14 or facilitation of the game, such as inviting persons to play,
15 permitting the use of premises therefor and supplying cards or
16 other equipment used therein. A person who engages in
17 "bookmaking" as defined in subdivision (2) of this section is not
18 a player;

19 (9) "Professional player", a player who engages in gambling
20 for a livelihood or who has derived at least twenty percent of
21 his or her income in any one year within the past five years from
22 acting solely as a player;

23 (10) "Profit from gambling activity", a person profits from
24 gambling activity if, other than as a player, he or she accepts
25 or receives money or other property pursuant to an agreement or
26 understanding with any person whereby he participates or is to
27 participate in the proceeds of gambling activity;

28 (11) "Slot machine", a gambling device that as a result of

1 the insertion of a coin or other object operates, either
2 completely automatically or with the aid of some physical act by
3 the player, in such a manner that, depending upon elements of
4 chance, it may eject something of value. A device so constructed
5 or readily adaptable or convertible to such use is no less a slot
6 machine because it is not in working order or because some
7 mechanical act of manipulation or repair is required to
8 accomplish its adaptation, conversion or workability. Nor is it
9 any less a slot machine because apart from its use or
10 adaptability as such it may also sell or deliver something of
11 value on a basis other than chance;

12 (12) "Something of value", any money or property, any
13 token, object or article exchangeable for money or property, or
14 any form of credit or promise directly or indirectly
15 contemplating transfer of money or property or of any interest
16 therein or involving extension of a service, entertainment or a
17 privilege of playing at a game or scheme without charge;

18 (13) "Unlawful", not specifically authorized by law.

19 572.100. The general assembly by enacting this chapter
20 intends to preempt any other regulation of the area covered by
21 this chapter. No governmental subdivision or agency may enact or
22 enforce a law that regulates or makes any conduct in the area
23 covered by this chapter an offense, or the subject of a criminal
24 or civil penalty or sanction of any kind, except for the
25 revocation, suspension, or denial by the Missouri lottery
26 commission, the Missouri gaming commission, or the division of
27 alcohol and tobacco control of a license issued under chapters
28 311 or 313. The term "gambling", as used in this chapter, does

1 not include licensed activities under sections 313.800 to
2 313.840.