## SENATE AMENDMENT NO.

Offered by $\qquad$ Of $\qquad$

Amend SS/Senate Bill No. 30, Page 1, Section A, Line 6,

any private shareholder or any individual member of such organization, which has been exempted from the payment of federal income tax, and which derives its charter from a national fraternal organization which regularly meets;
(4) "Truck stop", a location that provides parking and is equipped for fueling commercial vehicles, that has sold on average ten thousand gallons of diesel or biodiesel fuel each month for the previous twelve months or is projected to sell an average of ten thousand gallons of diesel or biodiesel fuel each month for the next twelve months, and that obtains and maintains a lottery game retailer license issued by the commission;
(5) "Veterans' organization", a post or organization of veterans, or an auxiliary unit or society of, or a trust or foundation for, any such post or organization organized in the United States or any of its possessions in which at least seventy-five percent of the members are veterans of the United States Armed Forces and substantially all of the other members are individuals who are veterans or are cadets, or are spouses, widows, or widowers of war veterans of such individuals, in which no part of the net earnings inures to the benefit of any private shareholder or individual, and which has been exempted from payment of federal income taxes;
(6) "Video lottery game", any lottery game approved by the commission for play on an approved video lottery game terminal using video lottery game terminal credits that have been purchased with cash, cash equivalents, or with a winning video lottery game terminal ticket;
(7) "Video lottery game adjusted gross receipts", the total of cash or cash equivalents used for the play of a video lottery game on a video lottery game terminal minus
cash or cash equivalent paid to players as a result of playing video lottery games on a video lottery game terminal;
(8) "Video lottery game handler", a person employed by a licensed video lottery game operator and who is licensed by the commission to handle, place, operate, and service video lottery game terminals and associated equipment;
(9) "Video lottery game manufacturer" or
"distributor", any person licensed by the commission that manufactures video lottery game terminals or major parts and components for video lottery game terminals as approved by the commission for sale to licensed video lottery game operators, or a person licensed by the commission to distribute or service video lottery game terminals or major parts and components of video lottery game terminals including buying, selling, leasing, renting, or financing new, used, or refurbished video lottery game terminals to and from licensed video lottery game manufacturers and licensed video lottery game operators;
(10) "Video lottery game operator", a person licensed by the commission that owns, rents, or leases and services or maintains video lottery game terminals for placement in licensed video lottery retailer establishments;
(11) "Video lottery game retailer", a retail
establishment meeting the requirements of a lottery game retailer under section 313.260 , that secures and maintains a license issued by the commission to conduct video lottery games played on a video lottery game terminal or terminals and that is a fraternal organization, veterans organization, truck stop, or business entity licensed under chapter 311 to sell liquor by the drink;
(12) "Video lottery game terminal", a player-activated terminal that exchanges coins, currency, tickets, ticket vouchers, or electronic payment methods approved by the
commission for credit on a video lottery game terminal used to play video lottery games approved by the commission. Such video lottery game terminals shall use a video display and may use a microprocessor capable of randomly generating the outcome of such video lottery games and be capable of printing and issuing a ticket at the conclusion of any video lottery game play that may be redeemed at a video lottery game ticket redemption terminal or may be reinserted into a video lottery game terminal for video lottery game credit and game plays. All video lottery games approved by the commission for play on a video lottery game terminal shall have a minimum theoretical payout of eighty-five percent; (13) "Video lottery game terminal credit", credits either purchased or won on a video lottery game terminal by a player that may be used to play video lottery games and that may be converted into a video lottery game ticket;
(14) "Video lottery game ticket" or "ticket", a document printed at the conclusion of any video lottery game play or group of plays on a video lottery game terminal that is redeemable for cash, utilizing a video lottery game ticket redemption terminal, or that may be reinserted into a video lottery game terminal in the establishment from which such ticket is issued for video lottery game terminal credit; (15) "Video lottery game ticket redemption terminal", the collective hardware, software, communications technology, and other ancillary equipment used to facilitate the payment of tickets cashed out by players as a result of playing a video lottery game terminal.
313.429. 1. (1) Except as provided in subdivision (2) of this subsection, the commission shall implement a system of video lottery game terminals utilizing a licensing structure for processing license applications and issuing licenses to video lottery game manufacturers, video lottery

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game distributors, video lottery game operators, video
lottery game handlers, and video lottery game retailers for
the conduct of lottery games utilizing video lottery game
terminals within the state.
    (2) No person licensed as a:
    (a) Video lottery game manufacturer or a video lottery
game distributor shall be issued a license as a video
lottery game operator or a video lottery game retailer;
    (b) Video lottery game operator shall be issued a
license as a video lottery game manufacturer, a video
lottery game distributor, or a video lottery game retailer;
and
    (c) Video lottery game retailer shall be issued a
license as a video lottery game manufacturer, a video
lottery game distributor, or a video lottery game operator.
    (3) Nothing in this subsection shall prevent a video
lottery game manufacturer from obtaining a video lottery
game manufacturer's license and a video lottery game
distributor's license and providing and operating the
centralized computer system for monitoring video lottery
game terminals.
    2. Under no circumstances shall the commission:
    (1) Authorize or allow a single vendor or licensee to
implement the system of video lottery game terminals created
under this section; or
(2) Allow a single licensed video lottery game operator to control or operate more than twenty-five percent of video lottery game terminals in the state after December \(31,2027\).
3. (1) The video lottery game system authorized by this section shall allow for multiple video lottery game manufacturers, video lottery game distributors, and video lottery game operators to encourage private sector
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investment and job opportunities for Missouri citizens.
Video lottery game terminals shall be connected to a
centralized computer system developed or procured by the
commission. The commission shall provide licensed video
lottery game operators with the necessary protocols to
connect the operators' video lottery game terminal or
terminals to the centralized computer system after such
terminal or terminals have been approved by the commission.
No video lottery game terminal shall be placed in operation
without first connecting to the centralized computer system
after such terminal or terminals have been approved by the
commission. A vendor that provides the centralized computer
system authorized under this subsection shall not be
eligible to be licensed as a video lottery game operator or
video lottery game retailer. The commission may impose an
initial nonrefundable license application fee to cover the
cost of investigating the background of the licensee,
including a criminal background check, as follows:
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(a) For video lottery game manufacturers, video lottery game distributors, and video lottery game operators, no more than twenty-five thousand dollars;
(b) For video lottery game retailer establishments, no more than one thousand dollars; or
(c) For video lottery game handlers, no more than one hundred dollars.
(2) The initial license shall be for a period of one year. Thereafter, license renewal periods shall be four years with the applicable renewal fee paid for each year of such license renewal in advance. Annual license renewal fees for anyone licensed pursuant to this subsection, and subsequent to the initial one-year period, shall be as follows:
(a) Five thousand dollars for video lottery game manufacturers, video lottery game distributors, and video lottery game operators;
(b) Fifty dollars for video lottery game handlers; and
(c) Five hundred dollars for each video lottery game retailer's establishment.
(3) In addition to the license fees required in subdivisions (1) and (2) of this subsection, an annual administrative fee of three hundred dollars shall be paid for each video lottery game terminal placed in service. Such administrative fee shall be equally divided and paid by the video lottery game operator and the video lottery game retailer to the commission once a year and deposited in the state lottery fund and distributed to the veterans' commission capital improvement trust fund created in section 42.300 .
(4) Nothing in this subsection shall be construed to relieve the licensee of the affirmative duty to notify the commission of any change relating to the status of the license or to any other information contained in the application materials on file with the commission.
4. No license shall be issued to any person, and no person shall be allowed to serve as a sales agent, who has been convicted of a felony or a crime involving illegal gambling. Sales agents shall be registered with the commission by a licensed video lottery game operator, and shall not solicit or enter into any contract with a video lottery game retailer prior to such retailer being licensed to conduct video lottery games on video lottery game terminals.
5. No license requirement, sticker fee, or tax shall be imposed by any local jurisdiction upon a video lottery game manufacturer, video lottery game distributor, video
lottery game operator, video lottery game retailer, video lottery game handler, or video lottery game terminal or an establishment relating to the operation of video lottery games, video lottery game terminals, or associated equipment.
6. (1) Video lottery game terminals shall meet independent testing standards approved by the commission, as tested by one or more licensed independent test labs, and be capable of randomly generating the outcome of video lottery games approved by the commission. Video lottery game terminals shall be capable of printing a ticket redeemable for winning video lottery game plays. Such video lottery game terminals shall be inspected and approved prior to being sold, leased, or transferred.
(2) Licensed video lottery game manufacturers may buy, sell, or lease new or refurbished video lottery game terminals to and from licensed video lottery game distributors.
(3) Licensed video lottery game distributors may buy, sell, or lease new or refurbished video lottery game terminals to or from licensed video lottery game manufacturers or licensed video lottery game operators.
7. (1) Licensed video lottery game operators:
(a) May buy, lease, or rent video lottery game terminals from licensed video lottery game manufacturers, operators, or distributors;
(b) May handle, place, and service video lottery game terminals;
(c) Shall connect such video lottery game terminals to the centralized computer system approved by the commission; and
(d) Shall, notwithstanding the provisions of section 313.321 to the contrary, pay all video lottery game winnings using a video lottery game ticket redemption terminal. Such
video lottery ticket redemption terminal shall be located within the video lottery game retailer's establishment in direct proximity to such video lottery games. Video lottery game operators shall pay the commission thirty-two percent of any unclaimed cash prize associated with a winning ticket that has not been redeemed within one hundred eighty days of issue.
(2) Rents or leases for video lottery game terminals shall be written at a flat rate and shall not include revenue splitting as a method used in the calculation of the lease or rent.
(3) Licensed video lottery game operators and licensed video lottery game retailers shall enter into a written agreement for the placement of video lottery game terminals. The agreement shall be on a form approved by the commission and shall specify an equal division of adjusted gross receipts after adjustments for taxes and administrative fees are made, shall have a minimum term of five years and a maximum term of ten years, and shall be renewable for a term of a minimum of five additional years. A video lottery game operator shall be responsible for remitting to the commission and the video lottery game retailer its share of adjusted gross receipts. Nothing in this subdivision shall prohibit a licensed video lottery game operator from entering into an agreement with a sales agent for retailer agreements, provided such agreement is in writing and approved by the commission prior to beginning sales activities and prior to the start date established pursuant to section 313.431. Video lottery game operators and their sales agents and affiliates and video lottery game retailers are specifically prohibited from offering anything of value, other than the percentage of adjusted gross receipts provided under this subsection, or entering into an
agreement with a retailer prior to the start date for the initial or continued placement of video lottery game terminals, except that a video lottery game operator may pay for construction of a video lottery game terminal area inside the premises of a video lottery game retailer. Contract agreements entered into prior to the start date established pursuant to section 313.431 between a prospective video lottery game terminal operator or sales agent with a prospective video lottery game retailer shall be invalid.
(4) To combat problem gambling, video lottery game operators shall allow players to be self-excluded from video lottery game play. Operators shall provide the commission with a list of players that have elected to be excluded from video lottery game play within thirty days of such election and shall update such list periodically as required by the commission. Such self-excluded list shall be considered confidential information and shall not be released to the public. The commission shall issue such self-exclusion procedures by rule.
(5) Nothing in this section shall be construed to prevent a video lottery game operator or a video lottery game retailer from using a player rewards system as approved by the commission. No player shall be required to enroll in a rewards program offered by a video lottery game operator or video lottery game retailer as a condition to play video lottery games.
8. No licensed video lottery game operator shall:
(1) Offer video lottery gaming terminals that directly dispense anything of value except for tickets for winning plays. Tickets shall be dispensed by pressing the ticket dispensing button on the video lottery gaming terminal at the end of any video lottery game play. The ticket shall
indicate the total amount of video lottery game terminal credits and the cash award, the time of day in a twenty-fourhour format showing hours and minutes, the date, the terminal serial number, the sequential number of the ticket, and an encrypted validation number from which the validity of the prize may be determined. The price of video lottery game terminal credits shall be determined by the commission. The maximum wager played per video lottery game shall not exceed five dollars. The maximum prize payoff for a winning maximum wager for a single game play shall be no more than one thousand one-hundred dollars, or the maximum amount allowable by federal law before tax withholding is required for a single game-winning play;
(2) Operate more than three video lottery game terminals per location on the premises of a fraternal organization, veterans organization, or truck stop that has secured and maintains a video lottery game retailer's license;
(3) Operate more than three video lottery game terminals per location on the premises of any business entity licensed as a video lottery game retailer that is not a fraternal organization, veterans organization, or truck stop;
(4) Advertise video lottery games outside of a licensed video lottery game retailer's establishment through any media outlets or direct mail or telephone solicitations. The advertising prohibition contained in this subdivision shall apply to all licensees including, but not limited to, video lottery game manufacturers, video lottery game distributors, video lottery game operators, video lottery game retailers, and video lottery game handlers; except that, a video lottery game retailer or operator may participate in an advertising program that is
promoted through and sponsored by the state lottery and may advertise in or on the outside of the establishment's building and parking lot. A video lottery game operator may pay no more than two thousand dollars annually for the cost of such advertising at a retailer establishment; or
(5) Allow video lottery games to be played at any time when the video lottery game retailer's establishment is closed for business.
9. (1) No person under twenty-one years of age shall play video lottery games, and such video lottery game terminals shall be under the supervision of a person that is at least twenty-one years of age to prevent persons under twenty-one years of age from playing video lottery games. Video lottery game terminals shall be placed in a fully enclosed room that is continually monitored by video surveillance and where access to persons under twenty-one years of age is denied by a procedure approved by the commission. A warning sign shall be posted in a conspicuous location where such video lottery game terminals are located, containing in red lettering at least one-half inch high on a white background the following:
"YOU MUST BE AT LEAST 21 YEARS OF AGE TO PLAY
VIDEO LOTTERY GAMES".
(2) In addition to the placement and supervision requirements of this subsection, video surveillance footage in the immediate area of the video lottery game retailer's establishment where video lottery game terminals are located shall be reviewed by video lottery game operators as required by the commission for any violation of law, rules, or regulations governing the conduct of video lottery games and shall be made available to the commission upon request. A video lottery game operator that fails to report any known violation of law, rules, or regulations governing the
conduct of video lottery games in conformance with established commission procedures may be subject to an administrative fine not to exceed five thousand dollars. Any video lottery game retailer that fails to report any known violation of law, rules, or regulations governing the conduct of video lottery games in conformance with established commission procedures may be subject to an administrative fine not to exceed five thousand dollars. In the event a video lottery game operator or retailer is found to have knowingly committed a violation governing the conduct of video lottery games, the commission may impose an administrative fine not to exceed five thousand dollars, suspend such operator's or retailer's license for up to thirty days, or, in the case of repeated violations, revoke such operator's or retailer's license for a period of one year. Any video lottery game operator or retailer aggrieved by the commission's decision in any disciplinary action that results in the suspension or revocation of such operator's or retailer's video lottery game license may appeal such decision by filing an action in circuit court.
(3) Video lottery game retailers shall provide an intrusion detection system capable of detecting unauthorized entrance of the video lottery game retailer's establishment during nonbusiness hours and shall report to the commission any unauthorized entrance of the video lottery game retailer's establishment. Such surveillance and intrusion detection system shall meet specifications as defined by the commission.
(4) A video lottery game operator shall post a sign in a conspicuous location where such video lottery game terminals are located, containing in red lettering at least one-half inch high on a white background a telephone contact number (1-888-BETSOFF) for the problem gambling helpline.
10. (1) Video lottery game operators shall pay the commission thirty-six percent of the video lottery game adjusted gross receipts, which shall be deposited in the state lottery fund. The commission shall transfer, subject to appropriation, the amount received from the operator from the lottery fund to the lottery proceeds fund after administrative expenses equal to four percent of the video lottery game adjusted gross receipts are paid to the municipality where a licensed video lottery game retailer maintains an establishment licensed for the operation of video lottery game terminals, or if such licensed establishment is not located within the corporate boundaries of a municipality, then to the county where such licensed establishment is located to reimburse such municipality or county for administrative expenses, and any administrative expenses for the commission that are not covered by reimbursements from operators are deducted. Net proceeds transferred to the lottery proceeds fund shall be appropriated equally to public elementary and secondary education and public institutions of higher education with an emphasis on funding early childhood education and care programs and public institutions of higher education workforce development programs, and programs benefitting Missouri military veterans.
(2) Video lottery game operators shall retain the remainder of the video lottery game adjusted gross receipts as compensation after the payment required in subdivision (1) of this subsection has been made to the state lottery fund, and shall pay video lottery game retailers a commission equal to one-half of the adjusted gross receipts retained by the video lottery game operator as compensation based on video lottery game plays at such retailer's establishment.
11. All revenues received by the commission from license fees and any reimbursements associated with the administration of the provisions of sections 313.425 to 313.437, and all interest earned thereon, shall be considered administrative expenses and shall be deposited in the state lottery fund. Moneys deposited into the state lottery fund from license fees and any reimbursements of commission administrative expenses to administer sections 313.425 to 313.437 shall be considered administrative expenses and shall not be considered net proceeds pursuant to Article III, Section $39(\mathrm{~b})$ of the Missouri Constitution. Subject to appropriation, up to one percent of such license fees shall be deposited to the credit of the compulsive gamblers fund created under section 313.842 . The remainder of the money deposited in the state lottery fund from video lottery game license fees and any reimbursements of commission administrative expenses to enforce sections 313.425 to 313.437 shall, subject to appropriation, be used for administrative expenses associated with supervising and enforcing the provisions of sections 313.425 to 313.437. 12. The commission shall contract with the Missouri gaming commission and with a state law enforcement entity to assist in conducting background investigations of video lottery game applicants, and for the administration and enforcement of sections 313.425 to 313.437 .
13. A video lottery game licensee suspected of a violation of sections 313.425 to 313.437 shall be afforded an administrative hearing by the director of the state lottery on the record, and an appeal of any action taken to impose a fine on such licensee shall be to the commission. Any such administrative suspension or revocation upheld by the commission may be appealed by the video lottery game licensee in a state court of competent jurisdiction.
14. The commission shall adopt rules for the implementation of the video lottery game system authorized under sections 313.425 to 313.437, including, but not limited to, the placement of video lottery terminals within a retail establishment and for the active oversight of the conduct of video lottery games. Any rule or portion of a rule, as that term is defined in section 536.010 , that is created under the authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after August 28, 2023, shall be invalid and void.
313.431. In order to expedite the orderly implementation of the video lottery game system authorized under sections 313.425 to 313.437 , the commission shall:
(1) Contract for the supply and operation of a centralized computer system for video lottery games no later than one hundred eighty days after the effective date of this act;
(2) Make license applications for video lottery game manufacturers, video lottery game distributors, video lottery game operators, video lottery game retailers, and video lottery game handlers available to applicants and accept such applicants and promulgate any emergency or regular rules and regulations needed for the implementation of the video lottery system authorized under sections 313.425 to 313.437 no later than one hundred eighty days after the effective date of this act;
(3) Issue an approved form for persons applying for a video lottery game terminal operator's license available for use in contracting with a video lottery game retailer no later than one hundred eighty days after the effective date of this act;
(4) Establish a start date no later than July 1, 2024, once applications and the approved form contract are made available, whereby any person seeking a license as a video lottery game operator that has applied for a license to be a video lottery game terminal operator, has paid the initial license fee, and satisfactorily completed a background investigation, may begin soliciting contracts with prospective video lottery game retailers for the placement of video lottery game terminals. Such start date shall be set no more than sixty days after applications are made available; and
(5) Approve or deny any completed video lottery game retailer establishment application no more than ninety days after such an application has been received.

The system of video lottery games authorized pursuant to sections 313.425 to 313.437 shall commence no earlier than January 15, 2025, and no later than July 1, 2025.
313.433. 1. Notwithstanding any other provision of law to the contrary, participation by a person, firm, corporation, or organization in any aspect of the state lottery under sections 313.425 to 313.437 shall not be construed to be a lottery or gift enterprise in violation of Section 39 of Article III of the Constitution of Missouri.
2. The sale of lottery tickets, shares, or lottery game plays using a video lottery game terminal under sections 313.425 to 313.437 shall not constitute a valid reason to refuse to issue or renew or to revoke or suspend
any license or permit issued under the provisions of chapter 311.
313.434. 1. The state of Missouri shall be exempt from the provisions of 15 U.S.C. Section 1172, as amended.
2. All shipments of gaming devices used to conduct pull-tab games or video lottery games authorized under sections 313.425 to 313.437 to licensees, the registering, recording, and labeling of which have been completed by the manufacturer or distributor thereof in accordance with 15 U.S.C. Sections 1171 to 1178, as amended, shall be legal shipments of gambling devices into this state.
313.435. 1. A municipality may adopt an ordinance prohibiting video lottery game terminals within the limits of such municipality within one hundred eighty days from the effective date of this act.
2. A county commission may, for the unincorporated area of the county, adopt an ordinance prohibiting video lottery game terminals within the unincorporated area of such county within one hundred eighty days from the effective date of this act.
3. Any municipality or county adopting an ordinance that disallows the licensing of video lottery game retailers shall notify the commission of such action and provide a certified copy of such ordinance to the commission. Upon receiving such notification and ordinance, the commission shall not license video lottery game retailers within such area covered by such municipal or county ordinance.
4. Any such municipality or county that has opted to prohibit the use of video lottery game terminals to play video lottery games may repeal such ordinance, and upon such repeal and notification of such repeal, the commission may license video lottery game retailers within such municipality or county to conduct video lottery games.

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    313.437. If any provision of sections 313.425 to
313.437 or the application thereof to anyone or to any
circumstance is held invalid, the remainder of those
sections and the application of such provisions to others or
other circumstances shall not be affected thereby."; and
    Further amend said bill, page 35, section 313.1022,
    line 18, by inserting after all of said line the following:
    "572.015. Nothing in this chapter prohibits
    constitutionally authorized activities under Article III,
    Sections 39(a) to 39(f) of the Missouri Constitution,
    including a raffle using tickets, a device, or a machine
    where a person buys chances from a finite number of draws
    for a prize; provided that it can be proved by an
    engineering opinion from an independent testing laboratory
    accredited under ISO standard 17025 that the determination
    of a winner by the electronic device or machine is from
    draws of numbered tickets in electronic form from a finite
    deal thereof."; and
    Further amend the title and enacting clause accordingly.
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