## SENATE BILL NO. 574

## 102ND GENERAL ASSEMBLY

INTRODUCED BY SENATOR MAY.

2253S.01I KRISTINA MARTIN, Secretary

## **AN ACT**

To amend chapter 313, RSMo, by adding thereto seven new sections relating to video lottery, with penalty provisions.

Be it enacted by the General Assembly of the State of Missouri, as follows:

Section A. Chapter 313, RSMo, is amended by adding thereto

- 2 seven new sections, to be known as sections 313.425, 313.427,
- 3 313.429, 313.431, 313.433, 313.435, and 313.440, to read as
- 4 follows:
  - 313.425. Sections 313.425 to 313.435 shall be known
- 2 and may be cited as the "Missouri Video Lottery Control Act"
- 3 and shall establish the regulatory framework for the use of
- 4 player-activated video terminals for the conduct of lottery
- 5 games.
  - 313.427. As used in sections 313.425 to 313.435, the
- 2 following words and phrases shall mean:
- 3 (1) "Centralized computer system", a computerized
- 4 system developed or procured by the commission that video
- 5 lottery game terminals are connected to using standard
- 6 industry protocols that can activate or deactivate a
- 7 particular video lottery game terminal from a remote
- 8 location, and that is capable of monitoring and auditing
- 9 video lottery game plays;
- 10 (2) "Commission" or "lottery commission", the five-
- 11 member body appointed by the governor to manage and oversee
- 12 the lottery under section 313.215;

34

35

36

37

38

39

40

41

13 (3) "Establishment", any establishment registered to 14 do business in this state by a person licensed as a video 15 lottery game retailer that is or becomes licensed under 16 chapter 311 to sell liquor at retail, and that is one or 17 more of the following:

- 18 (a) A fraternal organization or veterans' organization
  19 that maintains a license issued under chapter 311 to sell
  20 intoxicating liquor, and that obtains and maintains a
  21 license issued by the commission to offer lottery games
  22 played on video lottery game terminals;
- 23 A truck stop equipped for fueling commercial 24 vehicles, that has sold on average ten thousand gallons of diesel or biodiesel fuel each month for the previous twelve 25 26 months or is projected to sell an average of ten thousand 27 gallons of diesel or biodiesel fuel each month for the next 28 twelve months, that is situated on more than two acres of 29 land adjacent to a major state or federal highway, that maintains a license issued under chapter 311 to sell 30 31 intoxicating liquor, and that obtains and maintains a license issued by the commission to offer lottery games 32 33 played on video lottery game terminals;
  - (c) A convenience store that has sold on average ten thousand gallons of fuel each month for the previous twelve months or is projected to sell an average of ten thousand gallons of fuel each month for the next twelve months, that maintains a license issued under chapter 311 to sell intoxicating liquor, and that obtains and maintains a license issued by the commission to offer lottery games played on video lottery game terminals;
- 42 (d) A bar, tavern, or restaurant that maintains a 43 license issued under chapter 311 to sell intoxicating 44 liquor, and that obtains and maintains a license issued by

the commission to offer lottery games played on video lottery game terminals;

- (e) A liquor store that maintains a license issued under chapter 311 to sell intoxicating liquor, and that obtains and maintains a license issued by the commission to offer lottery games played on video lottery game terminals;
- (f) A grocery store that maintains a license issued under chapter 311 to sell intoxicating liquor, and that obtains and maintains a license issued by the commission to offer lottery games played on video lottery game terminals;
- (4) "Fraternal organization", any organization within this state operating under the lodge system which exists for the common benefit, brotherhood, or other interest of its members, except college fraternities and sororities, of which no part of the net earnings inures to the benefit of 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;
- (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;

86

87

88

89

90

91

92

- (6) "Video lottery game", any lottery game approved by
  the commission for play on a video lottery game terminal
  using video lottery game terminal credits that have been
  purchased with cash, cash equivalents, or by a winning video
  lottery game terminal ticket;
- 81 (7) "Video lottery game adjusted gross receipts", the 82 total of cash or cash equivalents used for the play of a 83 video lottery game on a video lottery game terminal minus 84 cash or cash equivalent paid to players as a result of 85 playing video lottery games on a video lottery game terminal;
  - (8) "Video lottery game distributor", a person licensed by the commission to buy, sell, lease, rent, finance or otherwise provide, distribute or service video lottery game terminals or major parts and components of video lottery game terminals, including used or refurbished video lottery game terminals to and from licensed video lottery game manufacturers and licensed video lottery game operators;
- 94 (9) "Video lottery game handler", a person employed by 95 a licensed video lottery game operator to handle, place, 96 operate, and service video lottery game terminals and 97 associated equipment;
- 98 (10) "Video lottery game manufacturer", any person 99 that manufactures video lottery game terminals or major 100 parts and components for video lottery game terminals as 101 approved by the lottery commission;
- 102 (11) "Video lottery game operator", a person licensed 103 by the commission that owns, rents, or leases and services 104 or maintains video lottery game terminals for placement in 105 licensed video lottery game retailer establishments;
- 106 (12) "Video lottery game retailer", a person meeting
  107 the requirements of a lottery game retailer under section

108 313.260, possessing a video lottery game retailer's license,

- 109 and possessing a license to sell liquor, and with whom a
- 110 licensed video lottery game operator has contracted for the
- 111 placement of a video lottery game terminal or terminals,
- 112 provided the video lottery game retailer and video lottery
- game operator do not have identical ownership;
- 114 (13) "Video lottery game terminal", player-activated
- 115 terminal that exchanges coins, currency, tickets, ticket
- vouchers, or other electronic payment methods approved by
- 117 the commission for video lottery game terminal credits used
- 118 to play video lottery games approved by the commission.
- 119 Such video lottery game terminals shall use a video display
- 120 and microprocessor capable of randomly generating the
- 121 outcome of video lottery games and be capable of printing a
- 122 ticket at the conclusion of any video lottery game play that
- 123 is redeemable at a video lottery game ticket redemption
- 124 terminal or reinserted into a video lottery game terminal
- 125 for video lottery game credit. All video lottery games
- approved by the commission for play on a video lottery game
- 127 terminal shall have a minimum theoretical payout of eighty-
- 128 five percent;
- 129 (14) "Video lottery game terminal credit", one cent,
- 130 five cents, ten cents, or twenty-five cents either won or
- 131 purchased by a player on a video lottery game terminal that
- is used to play video lottery games and that may be
- 133 converted into a video lottery game ticket;
- 134 (15) "Video lottery game ticket" or "ticket", a
- document printed at the conclusion of any lottery game play
- 136 or group of plays on a video lottery game terminal that is
- 137 redeemable for cash utilizing a video lottery game ticket
- 138 redemption terminal or that may be reinserted into a video

139 lottery game terminal in the establishment for which it was

- 140 issued for video lottery terminal game play credit;
- 141 (16) "Video lottery game ticket redemption terminal",
- 142 the collective hardware, software, communications
- 143 technology, and other ancillary equipment used to facilitate
- 144 the payment of tickets cashed out by players as a result of
- 145 playing a video lottery game terminal.
  - 313.429. 1. The commission shall implement a system
  - of video lottery game terminals utilizing a licensing
  - 3 structure for processing license applications and issuing
  - 4 licenses to video lottery game manufacturers, video lottery
  - 5 game distributors, video lottery game operators, video
  - 6 lottery game handlers, and video lottery game retailers for
  - 7 the conduct of lottery games utilizing video lottery game
  - 8 terminals within the state; except that, a person licensed
  - 9 **as a:**
  - (1) Video lottery game manufacturer or a video lottery
- 11 game distributor shall not be issued a license as a video
- 12 lottery game operator or a video lottery game retailer;
- 13 (2) Video lottery game operator shall not be issued a
- 14 license as a video lottery game manufacturer or a video
- 15 lottery game distributor; and
- 16 (3) Video lottery game retailer shall not be issued a
- 17 license as a video lottery game manufacturer or a video
- 18 lottery game distributor.
- 19 Nothing in this subsection shall prevent a video lottery
- 20 game manufacturer from obtaining a video lottery game
- 21 manufacturer's license and a video lottery game
- 22 distributor's license and providing and operating the
- 23 centralized computer system for monitoring video lottery
- 24 game terminals, and nothing in this subsection shall prevent

- 25 a video lottery game operator from obtaining a video lottery
- 26 game retailer's license or a video lottery game retailer
- 27 from obtaining a video lottery game operator's license,
- 28 provided the applicant meets the requirements for all such
- 29 licenses.
- 30 2. Under no circumstances shall the commission:
- 31 (1) Authorize or allow a single vendor or licensee to
- 32 implement the system of video lottery game terminals created
- 33 under this section; or
- 34 (2) Allow a single licensed video lottery game
- 35 operator to control or operate more than twenty-five percent
- 36 of video lottery game terminals in the state.
- 37 3. (1) The video lottery game system authorized by
- 38 this section shall allow for multiple video lottery game
- 39 manufacturers, video lottery game distributors, and video
- 40 lottery game operators to encourage private sector
- 41 investment and job opportunities for Missouri citizens.
- 42 Video lottery game terminals shall be connected to a
- 43 centralized computer system developed or procured by the
- 44 commission. The commission shall provide licensed video
- 45 lottery game operators with the necessary protocols to
- 46 connect the operators' video lottery game terminal or
- 47 terminals to the centralized computer system after such
- 48 terminal or terminals have been approved by the commission.
- 49 No video lottery game terminal shall be placed in operation
- 50 without first connecting to the centralized computer system
- 51 after such terminal or terminals have been approved by the
- 52 commission. A vendor that provides the centralized computer
- 53 system authorized under this subsection shall not be
- 54 eligible to be licensed as a video lottery game operator or
- 55 video lottery game retailer. The commission may impose an
- 56 initial nonrefundable license application fee as follows:

74

85

86

87

57 (a) For video lottery game manufacturers, video 58 lottery game distributors, and video lottery game operators, 59 no more than fifty thousand dollars;

- 60 (b) For video lottery game retailer establishments, no 61 more than five hundred dollars; or
- 62 (c) For video lottery game handlers, no more than one 63 hundred dollars.
- 64 (2) The initial license and first subsequent license 65 renewal shall be for a period of one year. Thereafter, 66 license renewal periods shall be four years with the 67 applicable annual renewal fee paid for each year such 68 license is renewed. Annual license renewal fees for anyone 69 licensed pursuant to this subsection shall be as follows:
- 70 (a) Five thousand dollars for video lottery game
  71 manufacturers and video lottery game distributors;
- 72 (b) Five thousand dollars for video lottery game 73 operators;
  - (c) Fifty dollars for video lottery game handlers; and
- 75 (d) Five hundred dollars for each video lottery game 76 retailer's establishment.
- 77 In addition to the license fees required in subdivisions (1) and (2) of this subsection, video lottery 78 79 game operators shall pay the commission an annual license 80 fee of two hundred dollars for each video lottery game 81 terminal placed in service. Such video lottery game terminal license shall be renewed each year and cost two 82 hundred dollars. A license issued under this subsection is 83 nontransferable. 84
  - (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

101

102

103

104

105

106

107

108

109

110

111

112

113

license or to any other information contained in the application materials on file with the commission.

90 4. No license shall be issued to any person, and no 91 person shall be allowed to serve as a sales agent, who has 92 been convicted of a felony or a crime involving illegal 93 gambling.

- 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 approved 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 by the commission 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.
- 114 (3) Licensed video lottery game distributors may buy,
  115 sell, or lease new or refurbished video lottery game
  116 terminals to or from licensed video lottery game
  117 manufacturers or licensed video lottery game operators.
- 118 7. (1) Licensed video lottery game operators:

- 119 (a) May buy, lease, or rent video lottery game
  120 terminals from licensed video lottery game manufacturers,
- 121 operators, or distributors;
- (b) May handle, place, and service video lottery game terminals;
- 124 (c) Shall connect such video lottery game terminals to 125 the centralized computer system approved by the commission;
- 126 **and**
- 127 (d) Shall pay winning tickets using a video lottery 128 game ticket redemption terminal. Such video lottery ticket 129 redemption terminal shall be located within the video 130 lottery game retailer's establishment in direct proximity of where such video lottery games are offered. Video lottery 131 132 game operators shall pay the commission thirty-two percent 133 of any unclaimed cash prize associated with a winning ticket that has not been redeemed within one year of issue. 134
- 135 Rents or leases for video lottery game terminals shall be 136 written at a flat rate and shall not include revenue 137 splitting as a method used in the calculation of the lease 138 or rent.
- 139 (2) Licensed video lottery game operators and licensed 140 video lottery game retailers shall enter into a written 141 agreement for the placement of video lottery game 142 The agreement shall be on a form approved by the 143 commission and shall specify a freely negotiated and agreed 144 upon division of adjusted gross receipts between the video 145 lottery game operator and the video lottery game retailer 146 after adjustments for taxes and administrative fees are 147 made. A video lottery game operator shall be responsible for remitting to the commission and the video lottery game 148 retailer its share of adjusted gross receipts. Video 149

150 lottery game retailers that are also video lottery game 151 operators and licensed video lottery game operators that are 152 also video lottery game retailers shall only be required to 153 submit an agreement pursuant to this subdivision if the ownership is not identical in both entities. 154 Nothing in 155 this subdivision shall prohibit a licensed video lottery game operator from entering into an agreement with a sales 156 agent for retailer agreements, provided such agreement is in 157 158 writing and approved by the commission. No video lottery 159 game operator or its sales agents, employees, or affiliates 160 may offer, promise, or tender any property or personal 161 advantage to any employee or agent of any video lottery game retailer with the intent to influence such video lottery 162 163 game retailer with respect to locating any video gaming 164 terminal in the video lottery game retailer's 165 establishment. Video lottery game operators and video 166 lottery game retailers may allocate costs related to the operation, promotion, and maintenance of video lottery game 167 168 terminals in any manner that has been mutually agreed to. 169 An agreement for the placement of video lottery game 170 terminals, or any similar agreement, entered into prior to 171 the enactment of sections 313.425 to 313.435 shall be 172 invalid and unenforceable. Persons violating this 173 subdivision are subject to the loss or prohibition of their 174 video lottery game operator's license. 175 Nothing in this section shall be construed to

(3) Nothing in this section shall be construed to prevent a video lottery game operator or a video lottery 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.

176

177

178

179

180

182 8. No licensed video lottery game operator shall:

- 183 (1) Offer video lottery gaming terminals that directly 184 dispense anything of value except for tickets for winning 185 Tickets shall be dispensed by pressing the ticket dispensing button on the video lottery gaming terminal at 186 187 the end of any video lottery game play. The ticket shall indicate the total amount of video lottery game terminal 188 189 credits and the cash award, the time of day in a twenty-fourhour format showing hours and minutes, the date, the 190 191 terminal serial number, the sequential number of the ticket, 192 and an encrypted validation number from which the validity 193 of the prize may be determined. The cost of the video lottery game terminal credits shall be one cent, five cents, 194 ten cents, or twenty-five cents, and the maximum wager
- 195 196 played per video lottery game shall not exceed five
- 197 dollars. No cash award for the maximum wager played on any 198 individual video lottery game shall exceed one thousand

199 dollars;

- 200 Operate in a retail establishment that is not also 201 licensed to sell liquor, except if the business of the 202 establishment is a truck stop where any state or local 203 ordinance prohibits the sale of intoxicating liquor;
- 204 (3) Operate more than five video lottery game 205 terminals at one video lottery game retailer establishment; except if the establishment is a veterans' organization, 206 fraternal organization, or truck stop, such establishment 207 may operate up to ten video lottery game terminals as 208 209 approved by the commission;
- 210 (4) Allow video lottery games to be played at any time 211 when the video lottery game retailer's establishment is 212 closed for business.

213 9. (1) A person under twenty-one years of age shall 214 not play video lottery games, and such video lottery game 215 terminals shall be under the supervision of a person that is 216 at least twenty-one years of age to prevent persons under twenty-one years of age from playing video lottery games. 217 218 Video lottery game terminals shall not be visible from areas normally occupied by minors and shall be placed within the 219 220 unobstructed line of sight of the sales counter unless 221 placed in an enclosed or partially enclosed area that is 222 continually monitored by video surveillance. A warning sign 223 shall be posted in a conspicuous location where such video lottery game terminals are located, containing in red 224 lettering at least one-half inch high on a white background 225 226 the following: 227 "YOU MUST BE AT LEAST 21 YEARS OF AGE TO PLAY VIDEO LOTTERY 228 GAMES" 229 In addition to the placement and supervision requirements of 230 this subsection, a video lottery game operator shall provide 231 video surveillance in the immediate area of the video lottery game retailer's establishment where video lottery 232 233 game terminals are located. Recorded video from such 234 surveillance system shall be made available to the 235 commission upon request and shall be reviewed by video 236 lottery game operators as reasonably and specifically 237 requested by the commission for any violation of law, rules, 238 or regulations governing the conduct of video lottery 239 games. A video lottery game operator that fails to review 240 such surveillance video and report any known violation of 241 law, rules, or regulations governing the conduct of video lottery games in conformance with established commission 242 procedures may be subject to an administrative fine not to 243

244 exceed five thousand dollars. Any video lottery game retailer that fails to report any known violation of law, 245 rules, or regulations governing the conduct of video lottery 246 games in conformance with established commission procedures 247 248 may be subject to an administrative fine not to exceed five 249 thousand dollars. In the event a video lottery game 250 operator or retailer is found to have knowingly committed a 251 violation governing the conduct of video lottery games, the 252 commission may impose an administrative fine not to exceed 253 five thousand dollars, suspend such operator's or retailer's 254 license for up to thirty days, or in the case of repeated 255 violations revoke such operator's or retailer's license for a period of one year. Any video lottery game operator or 256 257 retailer aggrieved by the commission's decision in any 258 disciplinary action that results in the suspension or 259 revocation of such operator's or retailer's video lottery 260 game license may appeal such decision by filing an action in 261 circuit court. The commission shall refer a violation of the criminal code, with any evidence thereof, to the 262 263 appropriate law enforcement officials. Video lottery game 264 retailers shall provide an intrusion detection system 265 capable of detecting unauthorized entrance of the video 266 lottery game retailer's establishment during nonbusiness 267 hours and shall report to the commission any unauthorized 268 entrance of the video lottery game retailer's 269 establishment. Such surveillance and intrusion detection 270 system shall meet specifications as defined by the 271 commission. 272 (2) A video lottery game operator shall post a sign in

272 (2) A video lottery game operator shall post a sign in 273 a conspicuous location where such video lottery game 274 terminals are located, containing in red lettering at least

275

276

277

278

279

280

281282

283

284

285

286

287

288

289

290

291

292

293

294

295

296

297

298

299

300

301302

303

304

305

306

one-half inch high on a white background a telephone contact number (1-888-BETSOFF) for the problem gambling helpline.

- (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 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 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. proceeds transferred to the lottery proceeds fund shall be appropriated to public elementary and secondary education and public institutions of higher education with an emphasis on programs to promote science, technology, engineering, and mathematics (STEM) and programs to promote workforce development.
- (2) Video lottery game operators shall retain sixtyfour percent of the video lottery game adjusted gross
  receipts, a portion of which shall be utilized to pay for
  administrative expenses which shall include the cost of the
  centralized computer system, which cost shall be paid by
  video lottery game operators in proportion to the number of
  video lottery game terminals operated and shall not be
  apportioned by the video lottery game operator among video

316

317

318

319

320

321

322

323

324

325

326

327

328

329

330

331

332

333334

335

336

337

338

307 lottery game retailers to which it provides operations. The 308 remainder, after the costs of the centralized computer 309 system are paid, shall be divided between the video lottery 310 game operator and video lottery game retailer as agreed to by the video lottery game operator and video lottery game 311 312 retailer under the freely negotiated agreement made under 313 subdivision (2) of subsection 7 of this section, unless the 314 video lottery game operator and video lottery game retailer 315 share the same ownership.

All revenues received by the commission from license fees and any reimbursements associated with the administration of the provisions of sections 313.425 to 313.435, 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 313.435 shall be considered administrative expenses and shall not be considered net proceeds pursuant to article III, section 39(b) of the Missouri Constitution. Subject to appropriation, up to one percent of such license fees and reimbursements deposited to the credit of the state lottery fund may be deposited to the credit of the compulsive gamblers fund created under section 313.842. 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 313.435 shall, subject to appropriation, be used for administrative expenses associated with supervising and enforcing the provisions of sections 313.425 to 313.435.

12. The commission may contract with a state law enforcement entity to assist in conducting investigations

352

353

354

355

356

357

358

359

339 into applicants for any video lottery game license and to 340 investigate violations by any video lottery game licensee of 341 any of the provisions of sections 313.425 to 313.435 or state law regulating illegal gambling activities. A video 342 lottery game licensee suspected of a violation shall be 343 344 afforded an administrative hearing on the record, and any action taken to impose a fine on such licensee, or to 345 346 suspend or revoke the ability of a licensee to offer lottery 347 game products for sale, shall be appealed to the 348 commission. Any such administrative suspension or 349 revocation upheld by the commission may be appealed by the 350 video lottery game licensee in a state court of competent jurisdiction. 351

- 13. The possession or use of any video lottery game terminal not authorized by the commission under the provisions of sections 313.425 to 313.435 may be prosecuted under the provisions of chapter 572. The commission shall have the power to investigate suspected violations by any video lottery license holder and to refer any violations or suspected violations to the appropriate law enforcement authority.
- The commission shall adopt rules for the 360 implementation of the video lottery game system authorized 361 362 under sections 313.425 to 313.435, including, but not 363 limited to, the placement of video lottery terminals within a retail establishment and for the active oversight of the 364 conduct of video lottery games. Any rule or portion of a 365 rule, as that term is defined in section 536.010 that is 366 created under the authority delegated in this section shall 367 368 become effective only if it complies with and is subject to 369 all of the provisions of chapter 536, and if applicable, 370 section 536.028. This section and chapter 536 are

2

3

4

5

6

7

16

17

18

19

20

21

22

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. 1. In order to expedite the orderly implementation of the video lottery game system authorized under sections 313.425 to 313.435, the commission shall:
- (1) Issue a request for proposal for the supply and operation of a centralized computer system for video lottery games within one hundred twenty days of the effective date of this section;
- 8 Make license applications for video lottery game 9 manufacturers, video lottery game distributors, video 10 lottery game operators, video lottery game retailers, and 11 video lottery game handlers available to applicants and promulgate any emergency or regular rules and regulations 12 needed for the implementation of the video lottery system 13 authorized under sections 313.425 to 313.435 within one 14 15 hundred twenty days of the effective date of this section;
  - (3) Issue a provisional license to an applicant for a video lottery game manufacturer's, video lottery game distributor's, video lottery game operator's, video lottery game retailer's, or video lottery game handler's license if such applicant satisfies all of the following criteria to the satisfaction of the commission:
    - (a) The applicant is current on all state taxes;
- 23 (b) The applicant has submitted a complete application 24 for licensure as a licensed video lottery game manufacturer, 25 video lottery game distributor, video lottery game operator, 26 video lottery game retailer, or video lottery game handler,

27 which shall be submitted concurrently with the applicant's

- 28 request for a provisional license;
- 29 (c) The applicant has never been convicted of any
- 30 felony or gambling law violation in any jurisdiction; and
- 31 (d) The applicant for a video lottery game retailer's
- 32 license has been issued and holds a valid license to sell
- 33 liquor under chapter 311.
- 34 A provisional license shall be issued by the commission
- 35 within sixty days from the date on which the application was
- 36 first received unless the commission shows cause that the
- 37 license application is deficient or such applicant does not
- 38 meet the criteria for licensure.
- 39 2. The commission may issue provisional licenses prior
- 40 to the completion of a background check to an applicant that
- 41 is currently licensed under sections 313.200 to 313.435 or
- 42 sections 313.800 to 313.850; holds or is an affiliate of any
- 43 entity that holds a license in good standing from a
- 44 regulatory body of another state to operate, handle, or
- 45 maintain video gaming terminals or video lottery game
- 46 terminals that are substantially similar to video lottery
- 47 game terminals authorized under sections 313.425 to 313.435;
- 48 or if such person has been in the business of locating and
- 49 operating amusement games within this state continuously for
- 50 a period of five years.
- 3. A provisional license shall be valid until:
- 52 (1) The commission either approves or denies the
- 53 applicant's application for licensure;
- 54 (2) The provisional license is terminated for a
- 55 violation of this section; or
- 56 (3) One calendar year has passed since the provisional
- 57 license was issued.

- Nothing in this section shall prohibit an applicant for a
- 59 video lottery game manufacturer's, video lottery game
- 60 distributor's, video lottery game operator's, video lottery
- 61 game retailer's, or video lottery game handler's license
- 62 from applying for a renewal of the provisional license
- 63 issued under this section so long as the commission has not
- 64 made a final determination to award or deny the applicant a
- 65 license.
- 66 4. Each applicant shall attest by way of affidavit
- of under penalty of perjury that the applicant is not otherwise
- 68 prohibited from licensure according to the requirements of
- 69 this section.
- 70 5. All requests for provisional licensure under this
- 71 section shall include the following fee, which is in
- 72 addition to the applicable fee required for an application
- 73 for licensure and shall be retained by the commission:
- 74 (1) Five thousand dollars for a video lottery game
- 75 manufacturer and video lottery game distributor;
- 76 (2) Five thousand dollars for a video lottery game
- 77 operator;
- 78 (3) Five hundred dollars for a video lottery game
- 79 retailer's establishment; or
- 80 (4) One hundred dollars for a video lottery game
- 81 handler.
  - 313.433. 1. Notwithstanding any other provision of
- 2 law to the contrary, participation by a person, firm,
- 3 corporation, or organization in any aspect of the state
- 4 lottery under sections 313.425 to 313.435 shall not be
- 5 construed to be a lottery or gift enterprise in violation of
- 6 section 39 of article III of the Constitution of Missouri.
- 7 2. The sale of lottery tickets, shares, or lottery
- 8 game plays using a video lottery game terminal under

9 sections 313.425 to 313.435 shall not constitute a valid 10 reason to refuse to issue or renew or to revoke or suspend 11 any license or permit issued under the provisions of chapter 12 311.

A municipality may adopt an ordinance 313.435. 2 prohibiting video lottery game terminals within the 3 corporate limits of such municipality within one hundred 4 twenty days from the effective date of this act. A county 5 commission may, for the unincorporated area of the county, 6 adopt an ordinance prohibiting video lottery game terminals 7 within the unincorporated area of the county within one 8 hundred twenty days from the effective date of this act. The commission shall not license video lottery game 9 10 retailers within such area covered by such ordinance. such municipality or county that has opted to prohibit the 11 12 use of video lottery game terminals to play video lottery 13 games may repeal such ordinance and upon such repeal the commission may license video lottery game retailers within 14 15 such municipality or county to conduct video lottery games. Notwithstanding any other provision of law to 313.440. 2

the contrary, the commission may incur fees when accepting debit cards or other electronic payment methods, except credit cards, for the sale of lottery game plays.

3

4

**√**