

SECOND REGULAR SESSION

HOUSE BILL NO. 1257

92ND GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE CAMPBELL.

Read 1st time January 26, 2004, and copies ordered printed.

STEPHEN S. DAVIS, Chief Clerk

4188L.011

AN ACT

To repeal sections 313.805, 313.820, and 313.822, RSMo, and to enact in lieu thereof three new sections relating to gaming, with a referendum clause.

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

Section A. Sections 313.805, 313.820, and 313.822, RSMo, are repealed and three new sections enacted in lieu thereof, to be known as sections 313.805, 313.820, and 313.822, to read as follows:

313.805. The commission shall have full jurisdiction over and shall supervise all gambling operations governed by sections 313.800 to 313.850. The commission shall have the following powers and shall promulgate rules and regulations to implement sections 313.800 to 313.850:

(1) To investigate applicants and determine the priority and eligibility of applicants for a license and to select among competing applicants for a license the applicant which best serves the interests of the citizens of Missouri;

(2) To license the operators of excursion gambling boats and operators of gambling games within such boats, to identify occupations within the excursion gambling boat operations which require licensing, and adopt standards for licensing the occupations including establishing fees for the occupational licenses and to license suppliers;

(3) To adopt standards under which all excursion gambling boat operations shall be held and standards for the facilities within which the gambling operations are to be held. Notwithstanding the provisions of chapter 311, RSMo, to the contrary, the commission may authorize the operation of gambling games on an excursion gambling boat which is also licensed

EXPLANATION — Matter enclosed in bold faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law. Matter in boldface type in the above law is proposed language.

16 to sell or serve alcoholic beverages, wine, or beer. The commission shall regulate the wagering
17 structure for gambling excursions [including providing a maximum loss of five hundred dollars
18 per individual player per gambling excursion];

19 (4) To enter the premises of excursion gambling boats, facilities, or other places of
20 business of a licensee within this state to determine compliance with sections 313.800 to
21 313.850;

22 (5) To investigate alleged violations of sections 313.800 to 313.850 or the commission
23 rules, orders, or final decisions;

24 (6) To assess any appropriate administrative penalty against a licensee, including, but
25 not limited to, suspension, revocation, and penalties of an amount as determined by the
26 commission up to three times the highest daily amount of gross receipts derived from wagering
27 on the gambling games, whether unauthorized or authorized, conducted during the previous
28 twelve months as well as confiscation and forfeiture of all gambling game equipment used in the
29 conduct of unauthorized gambling games. Forfeitures pursuant to this section shall be enforced
30 as provided in sections 513.600 to 513.645, RSMo;

31 (7) To require a licensee, an employee of a licensee or holder of an occupational license
32 to remove a person violating a provision of sections 313.800 to 313.850 or the commission rules,
33 orders, or final orders, or other person deemed to be undesirable from the excursion gambling
34 boat or adjacent facilities;

35 (8) To require the removal from the premises of a licensee, an employee of a licensee,
36 or a holder of an occupational license for a violation of sections 313.800 to 313.850 or a
37 commission rule or engaging in a fraudulent practice;

38 (9) To require all licensees to file all financial reports required by rules and regulations
39 of the commission;

40 (10) To issue subpoenas for the attendance of witnesses and subpoenas duces tecum for
41 the production of books, records, and other pertinent documents, and to administer oaths and
42 affirmations to the witnesses, when, in the judgment of the commission, it is necessary to enforce
43 sections 313.800 to 313.850 or the commission rules;

44 (11) To keep accurate and complete records of its proceedings and to certify the records
45 as may be appropriate;

46 (12) To ensure that the gambling games are conducted fairly. No gambling device shall
47 be set to pay out less than eighty percent of all wagers;

48 (13) To [require all licensees of gambling game operations to use a] **promulgate rules**
49 **for** cashless wagering [system] **systems** whereby [all] players' money is converted to physical
50 or electronic tokens, electronic cards, or chips which [only] can be used for wagering on the
51 excursion gambling boat;

52 (14) To require excursion gambling boat licensees to develop a system, approved by the
53 commission, that allows patrons the option to prohibit the excursion gambling boat licensee from
54 using identifying information for marketing purposes. The provisions of this subdivision shall
55 apply only to patrons giving identifying information for the first time. Such system shall be
56 submitted to the commission by October 1, 2000, and approved by the commission by January
57 1, 2001. The excursion gambling boat licensee shall use identifying information obtained from
58 patrons who have elected to have marketing blocked under the provisions of this section only for
59 the purposes of enforcing the requirements contained in sections 313.800 to 313.850. This
60 section shall not prohibit the commission from accessing identifying information for the
61 purposes of enforcing section 313.004 and sections 313.800 to 313.850;

62 (15) To determine which of the authorized gambling games will be permitted on any
63 licensed excursion gambling boat;

64 (16) Excursion gambling boats shall cruise, unless the commission finds that the best
65 interest of Missouri and the safety of the public indicate the need for continuous docking of the
66 excursion gambling boat in any city or county authorized pursuant to subsection 10 of section
67 313.812. The commission shall base its decision to allow continuously docked excursion
68 gambling boats on any of the following criteria: the docking location or the excursion cruise
69 could cause danger to the boat's passengers, violate federal law or the law of another state, or
70 cause disruption of interstate commerce or possible interference with railway or barge
71 transportation. In addition, the commission shall consider economic feasibility or impact that
72 would benefit land-based development and permanent job creation. The commission shall not
73 discriminate among applicants for continuous-docking excursion gambling that are similarly
74 situated with respect to the criteria set forth in this section;

75 (17) The commission shall render a finding concerning the possibility of continuous
76 docking, as described in subdivision (15) of this section, within thirty days after a hearing on any
77 request from an applicant or licensee. Such hearing may be held prior to any final action on
78 licensing to assist an applicant and any city or county in the finalizing of their economic
79 development plan;

80 (18) To require any applicant for a license or renewal of a license to operate an excursion
81 gambling boat to provide an affirmative action plan which has as its goal the use of best efforts
82 to achieve maximum employment of African-Americans and other minorities and maximum
83 participation in the procurement of contractual purchases of goods and services. This provision
84 shall be administered in accordance with all federal and state employment laws, including Title
85 VII of the Civil Rights Act of 1964, as amended by the Civil Rights Act of 1991. At license
86 renewal, the licensee will report on the effectiveness of the plan. The commission shall include

87 the licensee's reported information in its annual report to the joint committee on gaming and
88 wagering;

89 (19) To take any other action as may be reasonable or appropriate to enforce sections
90 313.800 to 313.850 and the commission rules.

313.820. 1. An excursion boat licensee shall pay to the commission an admission fee
2 of [two] **seven** dollars for each person embarking on an excursion gambling boat [with a ticket
3 of admission. One dollar] **for the first time during each gaming day. Two dollars and**
4 **seventeen cents** of such fee shall be deposited to the credit of the gaming commission fund as
5 authorized pursuant to section 313.835[, and one dollar]. **Two dollars and sixty-six cents of**
6 **such fee shall be deposited to the credit of the gaming proceeds for education fund created**
7 **by section 313.822. Two dollars and seventeen cents** of such fee shall not be considered state
8 funds and shall be paid to the home dock city or county. Subject to appropriation, one cent of
9 such fee deposited to the credit of the gaming commission fund may be [deposited] **transferred**
10 to [the credit of] the compulsive gamblers fund created pursuant to the provisions of section
11 313.842. Nothing in this section shall preclude any licensee from charging any amount deemed
12 necessary for a ticket of admission to any person embarking on an excursion gambling boat. If
13 tickets are issued which are good for more than one excursion, the admission fee shall be paid
14 to the commission for each person using the ticket on each excursion that the ticket is used. If
15 free passes or complimentary admission tickets are issued, the excursion boat licensee shall pay
16 to the commission the same fee upon these passes or complimentary tickets as if they were sold
17 at the regular and usual admission rate; however, the excursion boat licensee may issue fee-free
18 passes to actual and necessary officials and employees of the licensee or other persons actually
19 working on the excursion gambling boat. The issuance of fee-free passes is subject to the rules
20 of the commission, and a list of all persons to whom the fee-free passes are issued shall be filed
21 with the commission.

22 2. All licensees are subject to all income taxes, sales taxes, earnings taxes, use taxes,
23 property taxes or any other tax or fee now or hereafter lawfully levied by any political
24 subdivision; however, no other license tax, permit tax, occupation tax, excursion fee, or taxes
25 or fees shall be imposed, levied or assessed exclusively upon licensees by a political subdivision.
26 All state taxes not connected directly to gambling games shall be collected by the department of
27 revenue. Notwithstanding the provisions of section 32.057, RSMo, to the contrary, the
28 department of revenue may furnish and the commission may receive tax information to
29 determine if applicants or licensees are complying with the tax laws of this state; however, any
30 tax information acquired by the commission shall not become public record and shall be used
31 exclusively for commission business.

313.822. A tax is imposed on the adjusted gross receipts received from gambling games
2 authorized pursuant to sections 313.800 to 313.850 at the rate of [twenty] **twenty-two** percent.
3 The taxes imposed by this section shall be returned to the commission in accordance with the
4 commission's rules and regulations who shall transfer such taxes to the director of revenue. All
5 checks and drafts remitted for payment of these taxes and fees shall be made payable to the
6 director of revenue. If the commission is not satisfied with the return or payment made by any
7 licensee, it is hereby authorized and empowered to make an assessment of the amount due based
8 upon any information within its possession or that shall come into its possession. Any licensee
9 against whom an assessment is made by the commission may petition for a reassessment. The
10 request for reassessment shall be made within twenty days from the date the assessment was
11 mailed or delivered to the licensee, whichever is earlier. Whereupon the commission shall give
12 notice of a hearing for reassessment and fix the date upon which the hearing shall be held. The
13 assessment shall become final if a request for reassessment is not received by the commission
14 within the twenty days. Except as provided in this section, on and after April 29, 1993, all
15 functions incident to the administration, collection, enforcement, and operation of the tax
16 imposed by sections 144.010 to 144.525, RSMo, shall be applicable to the taxes and fees
17 imposed by this section.

18 (1) Each excursion gambling boat shall designate a city or county as its home dock. The
19 home dock city or county may enter into agreements with other cities or counties authorized
20 pursuant to subsection 10 of section 313.812 to share revenue obtained pursuant to this section.
21 The home dock city or county shall receive ten percent of the adjusted gross receipts tax
22 collections, as levied pursuant to this section, for use in providing services necessary for the
23 safety of the public visiting an excursion gambling boat. Such home dock city or county shall
24 annually submit to the commission a shared revenue agreement with any other city or county.
25 All moneys owed the home dock city or county shall be deposited and distributed to such city
26 or county in accordance with rules and regulations of the commission. All revenues provided
27 for in this section to be transferred to the governing body of any city not within a county and any
28 city with a population of over three hundred fifty thousand inhabitants shall not be considered
29 state funds and shall be deposited in such city's general revenue fund to be expended as provided
30 for in this section.

31 (2) [The remaining amount] **Twenty percent** of the adjusted gross receipts [tax] shall
32 be deposited in the state treasury to the credit of the "Gaming Proceeds for Education Fund"
33 which is hereby created in the state treasury. Moneys deposited in this fund shall be considered
34 the proceeds of excursion boat gambling and state funds pursuant to article IV, section 15 of the
35 Missouri Constitution. All interest received on the gaming proceeds for education fund shall be

36 credited to the gaming proceeds for education fund. Appropriation of the moneys deposited into
37 the gaming proceeds for education fund shall be pursuant to state law.

Section B. Section A of this act is hereby submitted to the qualified voters of this state
2 for approval or rejection at a special election which is hereby ordered and which shall be held
3 and conducted on the first Tuesday in August, 2004, pursuant to the laws and constitutional
4 provisions of this state applicable to general elections and the submission of referendum
5 measures, and it shall become effective when approved by a majority of the votes cast thereon
6 at such election and not otherwise.