HB 2176 -- MISSOURI VIDEO LOTTERY CONTROL ACT

SPONSOR: Engler

This bill allows for and establishes a regulatory framework for the use of player-activated video terminals for the conduct of lottery games. This bill gives the State Lottery Commission the authority to license video lottery game handlers, manufacturers, operators, and retailers and specifies who qualifies for such licenses. Under this bill, video lottery game terminals can only be placed in bars or other retail establishments licensed to sell liquor or establishments where the primary business is offering services and amenities to large trucks at a location situated on three or more contiguous acres within 2,000 feet of an interstate or other major highway and sells more than $25,000 gallons of diesel fuel per month. A municipality can adopt an ordinance prohibiting video lottery game terminal but it must do so within 90 days from the day this bill goes into effect.

This bill authorizes the State Lottery Commission to impose an initial nonrefundable application fee for licenses in the amount of $50,000 for manufacturers and operators, $500 for retailer establishments, and $100 for handlers. Licensees will also be charged annual renewal fees in the amount of $5,000 for manufacturers and operators, $500 for retailer establishments, and $50 for handlers. Video lottery game operators will also have to pay an annual fee of $200 for each video lottery game terminal placed in service.

Under this bill, the video lottery game operators and the video lottery game retailer will split 64% of the adjusted gross receipts of any game and pay the remaining 36% of the adjusted gross receipts to the state. The state is then required to pass 4% of the adjusted gross receipts on the political subdivision in which the game is located. The bill specifies what the state can do with the proceeds.

The bill also prohibits the lottery commission from allowing a single video lottery game operator to control or operate more than 25% of the terminals in the state.

This bill is similar to SB 767 (2018) and HB 990 (2017).