

FIRST REGULAR SESSION

HOUSE BILL NO. 423

100TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE SHAUL (113).

1107H.011

DANA RADEMAN MILLER, Chief Clerk

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 seven new sections, to be known as sections 313.425, 313.427, 313.429, 313.431, 313.433, 313.435, and 313.437, to read as follows:

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

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

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

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

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

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

13 **(a) A fraternal organization or veterans' organization that maintains a license**
14 **issued under chapter 311 to sell intoxicating liquor, and that obtains and maintains a**
15 **license issued by the commission to offer lottery games played on video lottery game**
16 **terminals;**

17 **(b) A truck stop equipped for fueling commercial vehicles, that has sold on average**
18 **ten thousand gallons of diesel or biodiesel fuel each month for the previous twelve months**
19 **or is projected to sell an average of ten thousand gallons of diesel or biodiesel fuel each**
20 **month for the next twelve months, that is situated on more than two acres of land adjacent**
21 **to a major state or federal highway, that maintains a license issued under chapter 311 to**
22 **sell intoxicating liquor, and that obtains and maintains a license issued by the commission**
23 **to offer lottery games played on video lottery game terminals;**

24 **(c) A convenience store that has sold on average ten thousand gallons of fuel each**
25 **month for the previous twelve months or is projected to sell an average of ten thousand**
26 **gallons of fuel each month for the next twelve months, that maintains a license issued under**
27 **chapter 311 to sell intoxicating liquor, and that obtains and maintains a license issued by**
28 **the commission to offer lottery games played on video lottery game terminals;**

29 **(d) A bar, tavern, or restaurant that maintains a license issued under chapter 311**
30 **to sell intoxicating liquor, and that obtains and maintains a license issued by the**
31 **commission to offer lottery games played on video lottery game terminals;**

32 **(e) A liquor store that maintains a license issued under chapter 311 to sell**
33 **intoxicating liquor, and that obtains and maintains a license issued by the commission to**
34 **offer lottery games played on video lottery game terminals;**

35 **(f) A grocery store that maintains a license issued under chapter 311 to sell**
36 **intoxicating liquor, and that obtains and maintains a license issued by the commission to**
37 **offer lottery games played on video lottery game terminals;**

38 **(4) "Fraternal organization", any organization within this state operating under**
39 **the lodge system which exists for the common benefit, brotherhood, or other interest of its**
40 **members, except college fraternities and sororities, of which no part of the net earnings**
41 **inures to the benefit of any private shareholder or any individual member of such**
42 **organization, which has been exempted from the payment of federal income tax, and which**
43 **derives its charter from a national fraternal organization which regularly meets;**

44 **(5) "Veterans' organization", a post or organization of veterans, or an auxiliary**
45 **unit or society of, or a trust or foundation for, any such post or organization organized in**
46 **the United States or any of its possessions in which at least seventy-five percent of the**
47 **members are veterans of the United States armed forces and substantially all of the other**
48 **members are individuals who are veterans or cadets, or are spouses, widows, or widowers,**

49 in which no part of the net earnings inures to the benefit of any private shareholder or
50 individual, and which has been exempted from payment of federal income taxes;

51 (6) "Video lottery game", any lottery game approved by the commission for play
52 on a video lottery game terminal using video lottery game terminal credits that have been
53 purchased with cash, cash equivalents, or by a winning video lottery game terminal ticket;

54 (7) "Video lottery game adjusted gross receipts", the total of cash or cash
55 equivalent used for the play of a video lottery game on a video lottery game terminal minus
56 cash or cash equivalent paid to players as a result of playing video lottery games on a video
57 lottery game terminal;

58 (8) "Video lottery game distributor", a person licensed by the commission to buy,
59 sell, lease, rent, finance, or otherwise provide, distribute, or service video lottery game
60 terminals or major parts and components of video lottery game terminals, including used
61 or refurbished video lottery game terminals, to and from licensed video lottery game
62 manufacturers and licensed video lottery game operators;

63 (9) "Video lottery game handler", a person employed by a licensed video lottery
64 game operator to handle, place, operate, and service video lottery game terminals and
65 associated equipment;

66 (10) "Video lottery game manufacturer", any person that manufactures video
67 lottery game terminals or major parts and components for video lottery game terminals
68 as approved by the lottery commission;

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

72 (12) "Video lottery game retailer", a person meeting the requirements of a lottery
73 game retailer under section 313.260, possessing a video lottery game retailer's license, and
74 possessing a license to sell liquor with whom a licensed video lottery game operator has
75 contracted for the placement of a video lottery game terminal or terminals;

76 (13) "Video lottery game terminal", player-activated terminal that exchanges coins,
77 currency, tickets, ticket vouchers, or other electronic payment methods approved by the
78 commission for video lottery game terminal credits used to play video lottery games
79 approved by the commission. Such video lottery game terminals shall use a video display
80 and microprocessor capable of randomly generating the outcome of video lottery games
81 and be capable of printing a ticket at the conclusion of any video lottery game play that is
82 redeemable at a video lottery game ticket redemption terminal or reinserted into a video
83 lottery game terminal for video lottery game credit. All video lottery games approved by

84 the commission for play on a video lottery game terminal shall have a minimum theoretical
85 payout of eighty-five percent;

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

90 (15) "Video lottery game ticket" or "ticket", a document printed at the conclusion
91 of any lottery game play or group of plays on a video lottery game terminal that is
92 redeemable for cash utilizing a video lottery game ticket redemption terminal or that may
93 be reinserted into a video lottery game terminal in the establishment for which it was
94 issued for video lottery terminal game play credit;

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

313.429. 1. The commission shall implement a system of video lottery game
2 terminals utilizing a licensing structure for processing license applications and issuing
3 licenses to video lottery game manufacturers, video lottery game distributors, video lottery
4 game operators, video lottery game handlers, and video lottery game retailers for the
5 conduct of lottery games utilizing video lottery game terminals within the state; except that,
6 a person licensed as a:

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

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

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

13

14 Nothing in this subsection shall prevent a video lottery game manufacturer from obtaining
15 a video lottery game manufacturer's license and a video lottery game distributor's license
16 and providing and operating the centralized computer system for monitoring video lottery
17 game terminals.

18 2. Under no circumstances shall the commission:

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

21 **(2) Allow a single licensed video lottery game operator to control or operate more**
22 **than twenty-five percent of video lottery game terminals in the state.**

23 **3. (1) The video lottery game system authorized by this section shall allow for**
24 **multiple video lottery game manufacturers, video lottery game distributors, and video**
25 **lottery game operators to encourage private sector investment and job opportunities for**
26 **Missouri citizens. Video lottery game terminals shall be connected to a centralized**
27 **computer system developed or procured by the commission. The commission shall provide**
28 **licensed video lottery game operators with the necessary protocols to connect the operators'**
29 **video lottery game terminal or terminals to the centralized computer system after such**
30 **terminal or terminals have been approved by the commission. No video lottery game**
31 **terminal shall be placed in operation without first connecting to the centralized computer**
32 **system after such terminal or terminals have been approved by the commission. A vendor**
33 **that provides the centralized computer system authorized under this subsection shall not**
34 **be eligible to be licensed as a video lottery game operator or video lottery game retailer.**
35 **The commission may impose an initial nonrefundable license application fee as follows:**

36 **(a) For video lottery game manufacturers, video lottery game distributors, and**
37 **video lottery game operators, no more than fifty thousand dollars;**

38 **(b) For video lottery game retailer establishments, no more than five hundred**
39 **dollars; and**

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

41 **(2) The initial license and first subsequent license renewal shall be for a period of**
42 **one year. Thereafter, license renewal periods shall be four years with the applicable**
43 **annual renewal fee paid for each year such license is renewed. Annual license renewal fees**
44 **for anyone licensed under this subsection shall be as follows:**

45 **(a) Five thousand dollars for video lottery game manufacturers and video lottery**
46 **game distributors;**

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

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

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

50 **(3) In addition to the license fees required in subdivisions (1) and (2) of this**
51 **subsection, video lottery game operators shall pay the commission an annual license fee of**
52 **two hundred dollars for each video lottery game terminal placed in service. Such video**
53 **lottery game terminal license shall be renewed each year and cost two hundred dollars. A**
54 **license issued under this subsection is nontransferable.**

55 **(4) Nothing in this subsection shall be construed to relieve the licensee of the**
56 **affirmative duty to notify the commission of any change relating to the status of the license**

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

59 **4. No license shall be issued to any person, and no person shall be allowed to serve**
60 **as a sales agent, who has been convicted of a felony or an offense involving illegal**
61 **gambling.**

62 **5. No license requirement, sticker fee, or tax shall be imposed by any local**
63 **jurisdiction upon a video lottery game manufacturer, video lottery game distributor, video**
64 **lottery game operator, video lottery game retailer, video lottery game handler, or video**
65 **lottery game terminal or an establishment relating to the operation of video lottery games,**
66 **video lottery game terminals, or associated equipment.**

67 **6. (1) Video lottery game terminals shall meet independent testing standards**
68 **approved by the commission, as tested by one or more approved independent test labs, and**
69 **be capable of randomly generating the outcome of video lottery games approved by the**
70 **commission. Video lottery game terminals shall be capable of printing a ticket redeemable**
71 **for winning video lottery game plays. Such video lottery game terminals shall be inspected**
72 **and approved by the commission prior to being sold, leased, or transferred.**

73 **(2) Licensed video lottery game manufacturers may buy, sell, or lease new or**
74 **refurbished video lottery game terminals to and from licensed video lottery game**
75 **distributors.**

76 **(3) Licensed video lottery game distributors may buy, sell, or lease new or**
77 **refurbished video lottery game terminals to or from licensed video lottery game**
78 **manufacturers or licensed video lottery game operators.**

79 **7. (1) Licensed video lottery game operators:**

80 **(a) May buy, lease, or rent video lottery game terminals from licensed video lottery**
81 **game manufacturers, operators, or distributors;**

82 **(b) May handle, place, and service video lottery game terminals;**

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

85 **(d) Shall pay winning tickets using a video lottery game ticket redemption terminal.**
86 **Such video lottery ticket redemption terminal shall be located within the video lottery game**
87 **retailer's establishment in direct proximity of where such video lottery games are offered.**
88 **Video lottery game operators shall pay the commission thirty-two percent of any unclaimed**
89 **cash prize associated with a winning ticket that has not been redeemed within one year of**
90 **issue.**

91

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

94 (2) Licensed video lottery game operators and licensed video lottery game retailers
95 shall enter into a written agreement for the placement of video lottery game terminals. The
96 agreement shall be on a form approved by the commission and shall specify an equal
97 division of adjusted gross receipts between the video lottery game operator and the video
98 lottery game retailer after adjustments for taxes and administrative fees are made. A video
99 lottery game operator shall be responsible for remitting to the commission and the video
100 lottery game retailer its share of adjusted gross receipts. Nothing in this subdivision shall
101 prohibit a licensed video lottery game operator from entering into an agreement with a
102 sales agent for retailer agreements, provided such agreement is in writing and approved
103 by the commission. Video lottery game operators and their sales agents and affiliates and
104 video lottery game retailers are specifically prohibited from offering anything of value,
105 other than the percentage of adjusted gross receipts provided under this subsection, for the
106 initial or continued placement of video lottery game terminals. An agreement for the
107 placement of video lottery game terminals, or any similar agreement, entered into prior to
108 the enactment of sections 313.425 to 313.437 shall be invalid and unenforceable. Persons
109 violating this subdivision are subject to the loss or prohibition of their video lottery game
110 operator's license.

111 (3) To combat problem gambling, video lottery game operators shall allow players
112 to be self-excluded from video lottery game play. Operators shall provide the commission
113 with a list of players that have elected to be excluded from video lottery game play within
114 thirty days of such election and shall update such list periodically as required by the
115 commission. Such self-excluded list shall be considered confidential information and shall
116 not be released to the public. The commission shall issue such self-exclusion procedures
117 by rule.

118 (4) Nothing in this section shall be construed to prevent a video lottery game
119 operator or a video lottery retailer from using a player rewards system as approved by the
120 commission. No player shall be required to enroll in a rewards program offered by a video
121 lottery game operator or video lottery game retailer as a condition to play video lottery
122 games.

123 8. No licensed video lottery game operator shall:

124 (1) Offer video lottery gaming terminals that directly dispense anything of value
125 except for tickets for winning plays. Tickets shall be dispensed by pressing the ticket
126 dispensing button on the video lottery gaming terminal at the end of any video lottery game
127 play. The ticket shall indicate the total amount of video lottery game terminal credits and

128 the cash award, the time of day in a twenty-four hour format showing hours and minutes,
129 the date, the terminal serial number, the sequential number of the ticket, and an encrypted
130 validation number from which the validity of the prize may be determined. The cost of the
131 video lottery game terminal credits shall be one cent, five cents, ten cents, or twenty-five
132 cents, and the maximum wager played per video lottery game shall not exceed five dollars.
133 No cash award for the maximum wager played on any individual video lottery game shall
134 exceed one thousand dollars;

135 (2) Operate in a retail establishment that is not also licensed to sell liquor, except
136 if the business of the establishment is a truck stop where any state or local ordinance
137 prohibits the sale of intoxicating liquor;

138 (3) Operate more than five video lottery game terminals at one video lottery game
139 retailer establishment; except that, if the establishment is a veterans' organization,
140 fraternal organization, or truck stop, such establishment may operate up to ten video
141 lottery game terminals as approved by the commission;

142 (4) Advertise video lottery games outside of a licensed video lottery game retailer's
143 establishment through any media outlets or direct mail or telephone solicitations. The
144 advertising prohibition contained in this subdivision shall apply to all licensees including,
145 but not limited to, video lottery game manufacturers, video lottery game distributors, video
146 lottery game operators, video lottery game retailers, and video lottery game handlers;
147 except that, a video lottery retailer may participate in an advertising program that is
148 promoted through and sponsored by the state lottery and may advertise in or on the
149 outside of the establishment's building and parking lot; or

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

152 9. (1) A person under twenty-one years of age shall not play video lottery games,
153 and such video lottery game terminals shall be under the supervision of a person that is at
154 least twenty-one years of age to prevent persons under twenty-one years of age from
155 playing video lottery games. Video lottery game terminals shall not be visible from areas
156 normally occupied by minors and shall be placed within the unobstructed line of sight of
157 the sales counter unless placed in an enclosed or partially enclosed area that is continually
158 monitored by video surveillance. A warning sign shall be posted in a conspicuous location
159 where such video lottery game terminals are located, containing in red lettering at least
160 one-half inch high on a white background the following:

161 "YOU MUST BE AT LEAST 21 YEARS OF AGE TO PLAY VIDEO LOTTERY
162 GAMES"

163 In addition to the placement and supervision requirements of this subsection, a video
164 lottery game operator shall provide video surveillance in the immediate area of the video
165 lottery game retailer's establishment where video lottery game terminals are located.
166 Recorded video from such surveillance system shall be made available to the commission
167 upon request and shall be reviewed by video lottery game operators as reasonably and
168 specifically requested by the commission for any violation of law, rules or regulations
169 governing the conduct of video lottery games. A video lottery game operator that fails to
170 review such surveillance video and report any known violation of law, rules, or regulations
171 governing the conduct of video lottery games in conformance with established commission
172 procedures may be subject to an administrative fine not to exceed five thousand dollars.
173 Any video lottery game retailer that fails to report any known violation of law, rules, or
174 regulations governing the conduct of video lottery games in conformance with established
175 commission procedures may be subject to an administrative fine not to exceed five
176 thousand dollars. In the event a video lottery game operator or retailer is found to have
177 knowingly committed a violation governing the conduct of video lottery games, the
178 commission may impose an administrative fine not to exceed five thousand dollars, suspend
179 such operator's or retailer's license for up to thirty days, or, in the case of repeated
180 violations, revoke such operator's or retailer's license for a period of one year. Any video
181 lottery game operator or retailer aggrieved by the commission's decision in any
182 disciplinary action that results in the suspension or revocation of such operator's or
183 retailer's video lottery game license may appeal such decision by filing an action in circuit
184 court. The commission shall refer a violation of the criminal code, with any evidence
185 thereof, to the appropriate law enforcement officials. Video lottery game retailers shall
186 provide an intrusion detection system capable of detecting unauthorized entrance of the
187 video lottery game retailer's establishment during nonbusiness hours and shall report to
188 the commission any unauthorized entrance of the video lottery game retailer's
189 establishment. Such surveillance and intrusion detection system shall meet specifications
190 as defined by the commission.

191 (2) A video lottery game operator shall post a sign in a conspicuous location where
192 such video lottery game terminals are located, containing in red lettering at least one-half
193 inch high on a white background a telephone contact number (1-800-BETSOFF) for the
194 problem gambling helpline.

195 10. (1) Video lottery game operators shall pay the commission thirty-six percent
196 of the video lottery game adjusted gross receipts, which shall be deposited in the state
197 lottery fund. The commission shall transfer the amount received from the operator from
198 the lottery fund to the lottery proceeds fund after administrative expenses equal to four

199 percent of the video lottery game adjusted gross receipts are paid to the municipality where
200 a licensed video lottery game retailer maintains an establishment licensed for the operation
201 of video lottery game terminals, or if such licensed establishment is not located within the
202 corporate boundaries of a municipality, to the county where such licensed establishment
203 is located to reimburse such municipality or county for administrative expenses, and any
204 administrative expenses for the commission that are not covered by reimbursements from
205 operators are deducted. Net proceeds transferred to the lottery proceeds fund shall be
206 appropriated to public elementary and secondary education and public institutions of
207 higher education with an emphasis on programs to promote science, technology,
208 engineering, and mathematics (STEM) and programs to promote workforce development.

209 (2) Video lottery game operators shall retain sixty-four percent of the video lottery
210 game adjusted gross receipts, a portion of which shall be utilized to pay for administrative
211 expenses which shall include the cost of the centralized computer system, which cost shall
212 be paid by video lottery game operators in proportion to the number of video lottery game
213 terminals operated. Fifty percent of the costs of the centralized computer system shall be
214 apportioned by the video lottery game operator among video lottery game retailers to
215 which it provides operations based on the number of video lottery game terminals located
216 at the video lottery game retailer's establishment. The remainder, after the costs of the
217 centralized computer system are paid and apportioned, shall be divided equally between
218 the video lottery game operator and video lottery game retailer as agreed under
219 subdivision (2) of subsection 6 of this section.

220 11. All revenues received by the commission from license fees and any
221 reimbursements associated with the administration of the provisions of sections 313.425
222 to 313.437, and all interest earned thereon, shall be considered administrative expenses and
223 shall be deposited in the state lottery fund. Moneys deposited into the state lottery fund
224 from license fees and any reimbursements of commission administrative expenses to
225 administer sections 313.425 to 313.437 shall be considered administrative expenses and
226 shall not be considered net proceeds pursuant to Article III, Section 39(b) of the
227 Constitution of the state of Missouri. Subject to appropriation, up to one percent of such
228 license fees and reimbursements deposited to the credit of the state lottery fund may be
229 deposited to the credit of the compulsive gamblers fund created under section 313.842. The
230 remainder of the moneys deposited in the state lottery fund from video lottery game license
231 fees and any reimbursements of commission administrative expenses to enforce sections
232 313.425 to 313.437 shall, subject to appropriation, be used for administrative expenses
233 associated with supervising and enforcing the provisions of sections 313.425 to 313.437.

234 **12. The commission may contract with a state law enforcement entity to assist in**
235 **conducting investigations into applicants for any video lottery game license and to**
236 **investigate violations by any video lottery game licensee of any of the provisions of sections**
237 **313.425 to 313.437 or state law regulating illegal gambling activities. A video lottery game**
238 **licensee suspected of a violation shall be afforded an administrative hearing on the record**
239 **and any action taken to impose a fine on such licensee, or to suspend or revoke the ability**
240 **of a licensee to offer lottery game products for sale, shall be appealed to the commission.**
241 **Any such administrative suspension or revocation upheld by the commission may be**
242 **appealed by the video lottery game licensee in a state court of competent jurisdiction.**

243 **13. The possession or use of any video lottery game terminal not authorized by the**
244 **commission under the provisions of sections 313.425 to 313.437 may be prosecuted under**
245 **the provisions of chapter 572. The commission shall have the power to investigate**
246 **suspected violations by any video lottery license holder and to refer any violations or**
247 **suspected violations to the appropriate law enforcement authority.**

248 **14. The commission shall adopt rules for the implementation of the video lottery**
249 **game system authorized under sections 313.425 to 313.437, including, but not limited to,**
250 **the placement of video lottery terminals within a retail establishment and for the active**
251 **oversight of the conduct of video lottery games. Any rule or portion of a rule, as that term**
252 **is defined in section 536.010, that is created under the authority delegated in this section**
253 **shall become effective only if it complies with and is subject to all of the provisions of**
254 **chapter 536 and, if applicable, section 536.028. This section and chapter 536 are**
255 **nonseverable, and if any of the powers vested with the general assembly pursuant to**
256 **chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are**
257 **subsequently held unconstitutional, then the grant of rulemaking authority and any rule**
258 **proposed or adopted after August 28, 2019, shall be invalid and void.**

313.431. 1. In order to expedite the orderly implementation of the video lottery
2 **game system authorized under sections 313.425 to 313.437, the commission shall:**

3 **(1) Issue a request for proposal for the supply and operation of a centralized**
4 **computer system for video lottery games within one hundred twenty days of the effective**
5 **date of this section;**

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

12 **(3) Issue a provisional license to an applicant for a video lottery game**
13 **manufacturer's, video lottery game distributor's, video lottery game operator's, video**
14 **lottery game retailer's, or video lottery game handler's license if such applicant satisfies all**
15 **of the following criteria to the satisfaction of the commission:**

16 **(a) The applicant is current on all state taxes;**

17 **(b) The applicant has submitted a complete application for licensure as a licensed**
18 **video lottery game manufacturer, video lottery game distributor, video lottery game**
19 **operator, video lottery game retailer, or video lottery game handler, which shall be**
20 **submitted concurrently with the applicant's request for a provisional license;**

21 **(c) The applicant has never been convicted of any felony or gambling law violation**
22 **in any jurisdiction; and**

23 **(d) The applicant for a video lottery game retailer's license has been issued and**
24 **holds a valid license to sell liquor under chapter 311.**

25

26 **A provisional license shall be issued by the commission within sixty days from the date on**
27 **which the application was first received unless the commission shows cause that the license**
28 **application is deficient or such applicant does not meet the criteria for licensure.**

29 **2. The commission may issue provisional licenses prior to the completion of a**
30 **background check to an applicant that is currently licensed under sections 313.200 to**
31 **313.437 or sections 313.800 to 313.850; holds or is an affiliate of any entity that holds a**
32 **license in good standing from a regulatory body of another state to operate, handle, or**
33 **maintain video gaming terminals or video lottery game terminals that are substantially**
34 **similar to video lottery game terminals authorized under sections 313.425 to 313.437; or**
35 **if such person has been in the business of locating and operating amusement games within**
36 **this state continuously for a period of five years.**

37 **3. A provisional license shall be valid until:**

38 **(1) The commission either approves or denies the applicant's application for**
39 **licensure;**

40 **(2) The provisional license is terminated for a violation of this section; or**

41 **(3) One calendar year has passed since the provisional license was issued.**

42

43 **Nothing in this section shall prohibit an applicant for a video lottery game manufacturer's,**
44 **video lottery game distributor's, video lottery game operator's, video lottery game**
45 **retailer's, or video lottery game handler's license from applying for a renewal of the**
46 **provisional license issued under this section so long as the commission has not made a final**
47 **determination to award or deny the applicant a license.**

48 **4. Each applicant shall attest by way of affidavit under penalty of perjury that the**
49 **applicant is not otherwise prohibited from licensure according to the requirements of this**
50 **section.**

51 **5. All requests for provisional licensure under this section shall include the**
52 **following fee, which is in addition to the applicable fee required for an application for**
53 **licensure and shall be retained by the commission:**

54 **(1) Five thousand dollars for a video lottery game manufacturer and video lottery**
55 **game distributor;**

56 **(2) Five thousand dollars for a video lottery game operator;**

57 **(3) Five hundred dollars for a video lottery game retailer's establishment; or**

58 **(4) One hundred dollars for a video lottery game handler.**

313.433. 1. Notwithstanding any other provision of law to the contrary,
2 **participation by a person, firm, corporation, or organization in any aspect of the state**
3 **lottery under sections 313.425 to 313.437 shall not be construed to be a lottery or gift**
4 **enterprise in violation of Section 39, Article III of the Constitution of the state of Missouri.**

5 **2. The sale of lottery tickets, shares, or lottery game plays using a video lottery**
6 **game terminal under sections 313.425 to 313.437 shall not constitute a valid reason to**
7 **refuse to issue or renew or to revoke or suspend any license or permit issued under the**
8 **provisions of chapter 311.**

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

313.437. Notwithstanding any other provision of law to the contrary, the
2 **commission may incur fees when accepting debit cards or other electronic payment**
3 **methods, except credit cards, for the sale of lottery game plays.**

✓