

FIRST REGULAR SESSION

HOUSE BILL NO. 915

101ST GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE SHAUL

2042H.011

DANA RADEMAN MILLER, Chief Clerk

AN ACT

To repeal sections 313.800 and 572.015, RSMo, and to enact in lieu thereof twenty-three new sections relating to gaming, with penalty provisions.

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

Section A. Sections 313.800 and 572.015, RSMo, are repealed and twenty-three new sections enacted in lieu thereof, to be known as sections 313.360, 313.425, 313.427, 313.429, 313.431, 313.433, 313.434, 313.435, 313.437, 313.800, 313.1000, 313.1002, 313.1003, 313.1004, 313.1006, 313.1008, 313.1010, 313.1012, 313.1014, 313.1016, 313.1018, 313.1022, and 572.015, to read as follows:

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

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 mean:

(1) "Centralized computer system", a computerized system developed or procured by the commission that video lottery game terminals are connected to 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;

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.

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

10 (3) "Fraternal organization", any organization within this state operating under
11 the lodge system that exists for the common benefit, brotherhood, or other interest of its
12 members, except college fraternities and sororities, of which no part of the net earnings
13 inures to the benefit of any private shareholder or any individual member of such
14 organization; that has been exempted from the payment of federal income tax; and that
15 derives its charter from a national fraternal organization that meets regularly;

16 (4) "Truck stop", a location that provides parking and is equipped for fueling
17 commercial vehicles; that has sold on average ten thousand gallons of diesel or biodiesel
18 fuel each month for the previous twelve months or is projected to sell an average of ten
19 thousand gallons of diesel or biodiesel fuel each month for the next twelve months; that is
20 situated on two or more acres of land; that operates a convenience store; and that obtains
21 and maintains a lottery game retailer license issued by the commission to offer lottery
22 games played on video lottery game terminals;

23 (5) "Veterans' organization", a post or organization of veterans, or an auxiliary
24 unit or society of, or a trust or foundation for, any such post or organization organized in
25 the United States or any of its possessions in which at least seventy-five percent of the
26 members are veterans of the United States Armed Forces and substantially all of the other
27 members are veterans or cadets, or are spouses, widows, or widowers of war veterans, in
28 which no part of the net earnings inures to the benefit of any private shareholder or
29 individual, and which has been exempted from payment of federal income taxes;

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

34 (7) "Video lottery game adjusted gross receipts", the total of cash or cash
35 equivalents used for the play of a video lottery game on a video lottery game terminal
36 minus cash or cash equivalents paid to players as a result of playing video lottery games
37 on a video lottery game terminal;

38 (8) "Video lottery game handler", a person employed by a licensed video lottery
39 game operator and who is licensed by the commission to handle, place, operate, and service
40 video lottery game terminals and associated equipment;

41 (9) "Video lottery game manufacturer" or "distributor", any person licensed by
42 the commission that manufactures video lottery game terminals or major parts and
43 components for video lottery game terminals as approved by the lottery commission for

44 sale to licensed video lottery game operators, or a person licensed by the commission to
45 distribute or service video lottery game terminals or major parts and components of video
46 lottery game terminals, including buying, selling, leasing, renting, or financing new, used,
47 or refurbished video lottery game terminals to and from licensed video lottery game
48 manufacturers and licensed video lottery game operators;

49 (10) "Video lottery game operator", a person licensed by the commission that owns,
50 rents, or leases and services or maintains video lottery game terminals for placement in
51 licensed video lottery retailer establishments;

52 (11) "Video lottery game retailer":

53 (a) A retail establishment meeting the requirements of a lottery game retailer under
54 section 313.260 that secures and maintains a license to conduct video lottery games played
55 on a video lottery game terminal or terminals and that is a fraternal organization, veterans
56 organization, or truck stop; or

57 (b) Any entity that secures and maintains a license to conduct video lottery games
58 played on a video lottery game terminal or terminals and is licensed under chapter 311 to
59 sell liquor by the drink for on-premises consumption;

60 (12) "Video lottery game terminal", a player-activated terminal that exchanges
61 coins, currency, tickets, ticket vouchers, or electronic payment methods approved by the
62 commission for credit on a video lottery game terminal used to play video lottery games
63 approved by the commission. Such video lottery game terminals shall use a video display
64 and microprocessor capable of randomly generating the outcome of video lottery games
65 and be capable of printing and issuing a ticket at the conclusion of any video lottery game
66 play that may be redeemed at a video lottery game ticket redemption terminal or reinserted
67 into a video lottery game terminal for video lottery game credit and game plays. All video
68 lottery games approved by the commission for play on a video lottery game terminal shall
69 have a minimum theoretical payout of eighty-five percent;

70 (13) "Video lottery game terminal credit", one cent, five cents, ten cents, or
71 twenty-five cents either won or purchased by a player on a video lottery game terminal that
72 may be used to play video lottery games and that may be converted into a video lottery
73 game ticket;

74 (14) "Video lottery game ticket" or "ticket", a document printed at the conclusion
75 of any video lottery game play or group of plays on a video lottery game terminal that is
76 redeemable for cash using a video lottery game ticket redemption terminal or that may be
77 reinserted into a video lottery game terminal in the establishment from which such ticket
78 is issued for video lottery game terminal credit;

79 **(15) "Video lottery game ticket redemption terminal", the collective hardware,**
80 **software, communications technology, and other ancillary equipment used to facilitate the**
81 **payment of tickets cashed out by players as a result of playing a video lottery game**
82 **terminal.**

313.429. 1. (1) Except as provided in subdivision (2) of this subsection, the
2 **commission shall implement a system of video lottery game terminals using a licensing**
3 **structure for processing license applications and issuing licenses to video lottery game**
4 **manufacturers, video lottery game distributors, video lottery game operators, video lottery**
5 **game handlers, and video lottery game retailers for the conduct of lottery games using**
6 **video lottery game terminals within the state.**

7 **(2) No person licensed as a:**

8 **(a) Video lottery game manufacturer or a video lottery game distributor shall be**
9 **issued a license as a video lottery game operator or video lottery game retailer;**

10 **(b) Video lottery game operator shall be issued a license as a video lottery game**
11 **manufacturer, video lottery game distributor, or video lottery game retailer; and**

12 **(c) Video lottery game retailer shall be issued a license as a video lottery game**
13 **manufacturer, video lottery game distributor, or video lottery game operator.**

14 **(3) Nothing in this subsection shall prevent a video lottery game manufacturer from**
15 **obtaining a video lottery game manufacturer's license and a video lottery game**
16 **distributor's license and providing and operating the centralized computer system for**
17 **monitoring video lottery 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 after December 31,**
23 **2025.**

24 **3. (1) The video lottery game system authorized by this section shall allow for**
25 **multiple video lottery game manufacturers, video lottery game distributors, and video**
26 **lottery game operators to encourage private sector investment and job opportunities for**
27 **Missouri citizens. Video lottery game terminals shall be connected to a central computer**
28 **system developed or procured by the commission. The commission shall provide licensed**
29 **video lottery game operators with the necessary protocols to connect the operators' video**
30 **lottery game terminal or terminals to the centralized computer system after such terminal**
31 **or terminals have been approved by the commission. No video lottery game terminal shall**
32 **be placed in operation without first connecting to the centralized computer system after**

33 such terminal or terminals have been approved by the commission. A vendor that provides
34 the centralized computer system authorized under this subsection shall not be eligible to
35 be licensed as a video lottery game operator or video lottery game retailer. The commission
36 may impose an initial nonrefundable license application fee to cover the cost of
37 investigating the background of the licensee, including a criminal background check, as
38 follows:

39 (a) For video lottery game manufacturers, video lottery game distributors, and
40 video lottery game operators, no more than fifteen thousand dollars;

41 (b) For video lottery game retailer establishments, no more than five hundred
42 dollars; or

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

44 (2) The initial license shall be for a period of one year. Thereafter, license renewal
45 periods shall be four years with the applicable annual renewal fee paid for each year of
46 such license renewal in advance. Annual license renewal fees for anyone licensed under
47 this subsection and subsequent to the initial one-year period shall be as follows:

48 (a) Five thousand dollars for video lottery game manufacturers, video lottery game
49 distributors, and video lottery game operators;

50 (b) Fifty dollars for video lottery game handlers; and

51 (c) Five hundred dollars for each video lottery game retailer's establishment.

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

57 (4) Nothing in this subsection shall be construed to relieve the licensee of the
58 affirmative duty to notify the commission of any change relating to the status of the license
59 or to any other information contained in the application materials on file with the
60 commission.

61 4. No license shall be issued to any person, and no person shall be allowed to serve
62 as a sales agent, who has been convicted of a felony or a crime involving illegal gambling.
63 Sales agents shall be registered with the commission by a licensed operator and shall not
64 solicit or enter into a contract with a lottery game retailer prior to such retailer being
65 licensed to conduct video lottery games on video lottery game terminals.

66 5. No license requirement, sticker fee, or tax shall be imposed by any local
67 jurisdiction upon a video lottery game manufacturer, video lottery game distributor, video
68 lottery game operator, video lottery game retailer, video lottery game handler, or video

69 lottery game terminal or an establishment relating to the operation of video lottery games,
70 video lottery game terminals, or associated equipment.

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

77 (2) Licensed video lottery game manufacturers may buy, sell, or lease new or
78 refurbished video lottery game terminals to and from licensed video lottery game
79 distributors.

80 (3) Licensed video lottery game distributors may buy, sell, or lease new or
81 refurbished video lottery game terminals to or from licensed video lottery game
82 manufacturers or licensed video lottery game operators.

83 7. (1) Licensed video lottery game operators:

84 (a) May buy, lease, or rent video lottery game terminals from licensed video lottery
85 game manufacturers, operators, or distributors;

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

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

89 (d) Shall, notwithstanding the provisions of section 313.321 to the contrary, pay all
90 video lottery game winnings using a video lottery game ticket redemption terminal. Such
91 video lottery ticket redemption terminal shall be located within the video lottery game
92 retailer's establishment in direct proximity such video lottery games. Video lottery game
93 operators shall pay the commission thirty-two percent of any unclaimed cash prize
94 associated with a winning ticket that has not been redeemed within one hundred eighty
95 days of issue.

96 (2) Rents or leases for video lottery game terminals shall be written at a flat rate
97 and shall not include revenue splitting as a method used in the calculation of the lease or
98 rent.

99 (3) Licensed video lottery game operators and licensed video lottery game retailers
100 shall enter into a written agreement for the placement of video lottery game terminals. The
101 agreement shall be on a form approved by the commission, shall specify an equal division
102 of adjusted gross receipts between the video lottery game operator and the video lottery
103 game retailer after adjustments for taxes and administrative fees are made, shall have a
104 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 under 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 terminal area inside the premises of a video lottery gaming retailer. Contract agreements entered into prior to the start date established under section 313.431 between a perspective 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 self-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 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-four-hour 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 cost of the video lottery game terminal credits shall be one cent, five cents, ten cents, or twenty-five

cents, and the maximum wager played per video lottery game shall not exceed five dollars with the payoff for a winning maximum wager for a single game play being no more than one thousand dollars;

(2) Operate more than ten 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 up to five video lottery game terminals per location on the premises of any business entity licensed as a video lottery game retailer establishment with a license issued under chapter 311 to sell liquor by the drink for on-premise consumption;

(4) Advertise video lottery games outside of a licensed video lottery game retailer's establishment through any media outlets, 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 retailer 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 and a video lottery game operator may pay no more than two thousand dollars per month for the cost of such advertising; 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 twenty-one years of age or older 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, a video lottery game operator shall provide video surveillance in the immediate area of the video lottery game retailer's establishment where video lottery game terminals are located. Recorded video from such surveillance system shall be made available to the commission upon request and 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. A video lottery game operator that fails to review such surveillance video and 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. The commission shall refer a violation of the criminal code, with any evidence thereof, to the appropriate law enforcement officials.

(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 the 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 after 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 elementary and secondary education student transportation costs and public institutions of higher education workforce development programs.

(2) Video lottery game operators shall retain the remainder of the video lottery game adjusted gross receipts, a portion of which shall be used 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. Fifty percent of the costs of the centralized computer system shall be apportioned by the video lottery game operator among video lottery game retailers to which it provides operations based on the number of video lottery game terminals located at the video lottery game retailer's establishment. The remainder of adjusted gross receipts retained by the video lottery game operator, after the cost of the centralized computer system and administrative costs are paid and apportioned, shall be divided equally between the video lottery game operator and video lottery game retailer as agreed under subsection 7 of this section.

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 under Article III, Section 39(b) of the Constitution of Missouri. 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 moneys 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 a state law enforcement entity to assist in conducting investigations into applicants for any video lottery game license and to investigate violations by any retail lottery game licensee of any of the provisions of sections 313.425 to 313.437 or state law regulating illegal gambling activities referred by the commission. A video lottery game licensee suspected of a violation 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, or to suspend or revoke the ability of a licensee to offer lottery game products for sale, 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.

13. The possession or use of any video gaming terminal, machine, or device capable of simulating lottery games, games of chance, or gambling games, regardless of whether there is an element of skill involved, that uses a video display and microprocessor capable of randomly generating the outcome of such games in the possession of any video lottery game licensee that is not authorized by the commission or the Missouri gaming commission established under section 313.004 shall be a violation of chapter 572 and shall be prosecuted as an illegal gambling activity. The commission shall have the power to investigate suspected violations by any lottery license holder and to refer any violations or suspected violations to the appropriate law enforcement authority. Any person, lottery vendor, or licensee that violates the provisions of this subsection shall be deemed guilty of a class D felony and fined up to ten thousand dollars per occurrence, and such fines shall be deposited in the compulsive gamblers fund created under section 313.842. The commission shall suspend or revoke the license of any lottery vendor or licensee that allows the use of any video terminal, gambling machine, or device other than a video lottery game terminal authorized under sections 313.425 to 313.437.

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 game terminals within a retail establishment and 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 the effective date of this section 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 twenty days after the effective 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 accept such applications and promulgate
9 any emergency or regular rules and regulations needed for the implementation of the video
10 lottery system authorized under sections 313.425 to 313.437 no later than one hundred
11 twenty days after the effective date of this section;

12 (3) Issue an approved form for persons applying for a video lottery game terminal
13 operator's license available for use in contracting with a video lottery game retailer no later
14 than one hundred twenty days of the effective date of this section;

15 (4) Establish a start date, once applications and the approved contract form are
16 made available, whereby any person seeking a license as a video lottery game operator that
17 has applied for a license to be a video lottery game terminal operator, has paid the initial
18 license fee, and has satisfactorily completed an initial criminal background check may
19 begin soliciting contracts with prospective video lottery game retailers for the placement
20 of video lottery terminals. Such date shall be set no more than sixty days after applications
21 are made available; and

22 (5) Approve or deny any completed establishment application no more than ninety
23 days after such an application has been received.

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

 313.434. 1. The state of Missouri shall be exempt from the provisions of 15 U.S.C.
2 Section 1172, as amended.

3 2. All shipments of gaming devices used to conduct pull-tab games or video lottery
4 games authorized under sections 313.425 to 313.437 to licensees, the registering, recording,
5 and labeling of which have been completed by the manufacturer or distributor thereof in
6 accordance with 15 U.S.C. Sections 1171 to 1178, as amended, shall be legal shipments of
7 gambling devices into this state.

 313.435. A county may adopt an ordinance prohibiting video lottery game
2 terminals within the limits of such county within one hundred eighty days after the
3 effective date of this section. A county commission may, for the unincorporated area of the

4 county, adopt an ordinance prohibiting video lottery game terminals within the
5 unincorporated area of the county within one hundred eighty days after the effective date
6 of this section. The commission shall not license video lottery game retailers within the
7 area covered by such an ordinance. Any such county that has opted to prohibit the use of
8 video lottery game terminals to play video lottery games may repeal such ordinance and
9 upon such repeal, the commission may license video lottery game retailers within such
10 county to conduct video lottery games.

313.437. If any provision of sections 313.425 to 313.437 or the application thereof
2 to anyone or to any circumstance is held invalid, the remainder of those sections and the
3 application of such provisions to others or other circumstances shall not be affected
4 thereby.

313.800. 1. As used in sections 313.800 to 313.850, unless the context clearly requires
2 otherwise, the following terms mean:

3 (1) "Adjusted gross receipts", the gross receipts from licensed gambling games and
4 devices less winnings paid to wagerers. **"Adjusted gross receipts" shall not include adjusted**
5 **gross receipts from sports wagering as defined in section 313.1000;**

6 (2) **"Amateur athletic or sporting event", an athletic event involving at least two**
7 **human competitors who do not receive compensation, in excess of their expenses, for**
8 **participating in such event. "Amateur athletic or sporting event" shall include certain**
9 **domestic, international, and Olympic sports events. "Amateur athletic or sporting event"**
10 **shall not include any "collegiate athletic or sporting event" as such term is defined under**
11 **section 313.1000;**

12 (3) "Applicant", any person applying for a license authorized under the provisions of
13 sections 313.800 to 313.850;

14 ~~[(3)]~~ (4) "Bank", the elevations of ground which confine the waters of the Mississippi
15 or Missouri Rivers at the ordinary high water mark as defined by common law;

16 ~~[(4)]~~ (5) "Capital, cultural, and special law enforcement purpose expenditures" shall
17 include any disbursement, including disbursements for principal, interest, and costs of issuance
18 and trustee administration related to any indebtedness, for the acquisition of land, land
19 improvements, buildings and building improvements, vehicles, machinery, equipment, works
20 of art, intersections, signing, signalization, parking lot, bus stop, station, garage, terminal, hanger,
21 shelter, dock, wharf, rest area, river port, airport, light rail, railroad, other mass transit, pedestrian
22 shopping malls and plazas, parks, lawns, trees, and other landscape, convention center, roads,
23 traffic control devices, sidewalks, alleys, ramps, tunnels, overpasses and underpasses, utilities,
24 streetscape, lighting, trash receptacles, marquees, paintings, murals, fountains, sculptures, water
25 and sewer systems, dams, drainage systems, creek bank restoration, any asset with a useful life

26 greater than one year, cultural events, and any expenditure related to a law enforcement officer
27 deployed as horse-mounted patrol, school resource or drug awareness resistance education
28 (D.A.R.E) officer;

29 ~~[(5)]~~ **(6)** "Cheat", to alter the selection of criteria which determine the result of a
30 gambling game or the amount or frequency of payment in a gambling game;

31 ~~[(6)]~~ **(7)** "Commission", the Missouri gaming commission;

32 ~~[(7)]~~ **(8)** "Credit instrument", a written check, negotiable instrument, automatic bank
33 draft or other authorization from a qualified person to an excursion gambling boat licensee or
34 any of its affiliated companies licensed by the commission authorizing the licensee to withdraw
35 the amount of credit extended by the licensee to such person from the qualified person's banking
36 account in an amount determined under section 313.817 on or after a date certain of not more
37 than thirty days from the date the credit was extended, and includes any such writing taken in
38 consolidation, redemption or payment of a previous credit instrument, but does not include any
39 interest-bearing installment loan or other extension of credit secured by collateral;

40 ~~[(8)]~~ **(9)** "Dock", the location in a city or county authorized under subsection 10 of
41 section 313.812 which contains any natural or artificial space, inlet, hollow, or basin, in or
42 adjacent to a bank of the Mississippi or Missouri Rivers, next to a wharf or landing devoted to
43 the embarking of passengers on and disembarking of passengers from a gambling excursion but
44 shall not include any artificial space created after May 20, 1994, and is located more than one
45 thousand feet from the closest edge of the main channel of the river as established by the United
46 States Army Corps of Engineers;

47 ~~[(9)]~~ **(10)** "Excursion gambling boat", a boat, ferry or other floating facility licensed by
48 the commission on which gambling games are allowed;

49 ~~[(10)]~~ **(11)** "Fiscal year" shall for the purposes of ~~[subsections 3 and 4 of]~~ section
50 313.820 mean the fiscal year of a home dock city or county;

51 ~~[(11)]~~ **(12)** "Floating facility", any facility built or originally built as a boat, ferry or barge
52 licensed by the commission on which gambling games are allowed;

53 ~~[(12)]~~ **(13)** "Gambling excursion", the time during which gambling games may be
54 operated on an excursion gambling boat whether docked or during a cruise;

55 ~~[(13)]~~ **(14)** "Gambling game" includes, but is not limited to, games of skill or games of
56 chance on an excursion gambling boat ~~[but does not include gambling on sporting events];~~
57 provided such games of chance are approved by amendment to the Missouri Constitution;

58 ~~[(14)]~~ **(15)** "Games of chance", any gambling game in which the player's expected return
59 is not favorably increased by ~~[his or her]~~ **such player's** reason, foresight, dexterity, sagacity,
60 design, information or strategy;

61 ~~[(15)]~~ **(16)** "Games of skill", any gambling game in which there is an opportunity for the
62 player to use ~~[his or her]~~ **such player's** reason, foresight, dexterity, sagacity, design, information
63 or strategy to favorably increase the player's expected return; including, but not limited to, the
64 gambling games known as "poker", "blackjack" (twenty-one), "craps", "Caribbean stud", "pai
65 gow poker", "Texas hold'em", "double down stud", **sports wagering**, and any video
66 representation of such games;

67 ~~[(16)]~~ **(17)** "Gross receipts", the total sums wagered by patrons of licensed gambling
68 games. **"Gross receipts" shall not include gross receipts from sports wagering as such term**
69 **is defined in section 313.1000;**

70 ~~[(17)]~~ **(18)** "Holder of occupational license", a person licensed by the commission to
71 perform an occupation within excursion gambling boat operations which the commission has
72 identified as requiring a license;

73 ~~[(18)]~~ **(19)** "Licensee", any person licensed under sections 313.800 to 313.850;

74 ~~[(19)]~~ **(20)** "Mississippi River" and "Missouri River", the water, bed and banks of those
75 rivers, including any space filled by the water of those rivers for docking purposes in a manner
76 approved by the commission but shall not include any artificial space created after May 20, 1994,
77 and is located more than one thousand feet from the closest edge of the main channel of the river
78 as established by the United States Army Corps of Engineers;

79 ~~[(20)]~~ **(21)** "Supplier", a person who sells or leases gambling equipment and gambling
80 supplies to any licensee.

81 2. **(1)** In addition to the games of skill defined in this section, the commission may
82 approve other games of skill upon receiving a petition requesting approval of a gambling game
83 from any applicant or licensee. The commission may set the matter for hearing by serving the
84 applicant or licensee with written notice of the time and place of the hearing not less than five
85 days prior to the date of the hearing and posting a public notice at each commission office. The
86 commission shall require the applicant or licensee to pay the cost of placing a notice in a
87 newspaper of general circulation in the applicant's or licensee's home dock city or county. The
88 burden of proof that the gambling game is a game of skill is at all times on the petitioner. The
89 petitioner shall have the affirmative responsibility of establishing ~~[his or her]~~ **such petitioner's**
90 case by a preponderance of evidence including:

91 ~~[(1)]~~ **(a)** Is it in the best interest of gaming to allow the game; and

92 ~~[(2)]~~ **(b)** Is the gambling game a game of chance or a game of skill?

93 **(2)** All testimony shall be given under oath or affirmation. Any citizen of this state shall
94 have the opportunity to testify on the merits of the petition. The commission may subpoena
95 witnesses to offer expert testimony. Upon conclusion of the hearing, the commission shall
96 evaluate the record of the hearing and issue written findings of fact that shall be based

97 exclusively on the evidence and on matters officially noticed. The commission shall then render
98 a written decision on the merits which shall contain findings of fact, conclusions of law and a
99 final commission order. The final commission order shall be within thirty days of the hearing.
100 Copies of the final commission order shall be served on the petitioner by certified or overnight
101 express mail, postage prepaid, or by personal delivery.

313.1000. As used in sections 313.1000 to 313.1022, the following terms shall mean:

2 **(1) "Adjusted gross receipts", gross receipts minus the total of:**

3 **(a) All cash and cash equivalents paid out as winnings to sports wagering patrons;**

4 **(b) The actual costs paid by a sports wagering operator for any personal property**
5 **or services distributed to sports wagering patrons as prizes;**

6 **(c) Excise tax payments remitted to the federal government;**

7 **(d) Voided wagers; and**

8 **(e) Uncollectible sports wagering receivables, not to exceed the lesser of:**

9 **a. A reasonable provision for uncollectible patron checks received from sports**
10 **wagering operations; or**

11 **b. Two percent of the total of all sums, including checks, whether collected or not,**
12 **less the amount paid out as winnings to sports wagering patrons. For purposes of this**
13 **subdivision, a counter or personal check that is invalid or unenforceable under this section**
14 **is considered cash received by the sports wagering operator from sports wagering**
15 **operations;**

16 **(2) "Amateur athletic or sporting event", an athletic event involving at least two**
17 **competitors who do not receive compensation for participating in such event. "Amateur**
18 **athletic or sporting event" shall include certain domestic, international, and Olympic**
19 **sports events. "Amateur athletic or sporting event" shall not include collegiate athletic or**
20 **sporting events;**

21 **(3) "Approved limited mobile gaming system", a limited mobile gaming system**
22 **approved by the commission;**

23 **(4) "Certificate holder", a licensed applicant issued a certificate of authority by the**
24 **commission;**

25 **(5) "Certificate of authority", a certificate issued by the commission authorizing**
26 **a licensed applicant to conduct sports wagering under sections 313.1000 to 313.1022;**

27 **(6) "Collegiate athletic or sporting event", an athletic or sporting event offered or**
28 **sponsored by, or played in connection with, a public or private institution that offers**
29 **educational services beyond the secondary level;**

30 **(7) "Commission", the Missouri gaming commission;**

31 **(8) "Department", the department of revenue;**

32 (9) "Designated entertainment district", any establishment registered to do business
33 in this state that is or becomes licensed under chapter 311 to sell liquor at retail, and that
34 is an area owned and operated by an entity or affiliated entities that are licensed under
35 chapter 311 as an entertainment district as defined by section 311.086, and such entity or
36 affiliate entities have made a verifiable financial investment of more than two hundred
37 million dollars to develop such district;

38 (10) "Designated sports and entertainment district":

39 (a) Any area within this state that qualifies as a designated entertainment district
40 on the effective date of this section and continues to be qualified as a designated
41 entertainment district thereafter; provided, however, that for purposes sections 313.1000
42 to 313.1022, the boundaries of such designated entertainment district shall not be enlarged
43 or otherwise modified after the effective date of this section; or

44 (b) The premises of a facility located in this state, with a seating capacity of at least
45 seventeen thousand five hundred people, at which one or more professional sports teams
46 plays its home games, and the surrounding area within four hundred yards of such
47 premises;

48 (11) "Designated sports and entertainment district entity":

49 (a) An establishment that qualifies as a designated entertainment district on the
50 effective date of this section; or

51 (b) A person or entity, registered to do business within this state, that owns or
52 operates a professional sports team that plays its home games within a designated sports
53 and entertainment district;

54 (12) "Gross receipts", the total amount of cash and cash equivalents paid by sports
55 wagering patrons to a sports wagering operator to participate in sports wagering;

56 (13) "Interactive sports wagering platform" or "platform", a person that offers
57 sports wagering over the internet, including on internet websites and mobile devices on
58 behalf of a certificate holder;

59 (14) "Licensed applicant", a person holding a license issued under section 313.807
60 to operate an excursion gambling boat;

61 (15) "Licensed facility", an excursion gambling boat licensed under this chapter;

62 (16) "Licensed supplier", a person holding a supplier's license issued by the
63 commission;

64 (17) "Limited mobile gaming system", a system that enables a certificate holder
65 to accept sports wagers through the use of sports wagering devices including, but not
66 limited to, self-service betting terminals or kiosks, or through the use of an interactive

67 sports wagering platform whose use is geographically restricted to the areas authorized
68 under subsection 10 of section 313.1008;

69 (18) "Occupational license", a license issued by the commission within excursion
70 gambling boat operations which the commission has identified as requiring a license;

71 (19) "Official league data", statistics, results, outcomes, and other data relating to
72 an athletic or sporting event that is obtained under an agreement with the relevant sports
73 governing body or an entity expressly authorized by the sports governing body to provide
74 such data to sports wagering operators, that authorizes the use of such data for
75 determining the outcome of tier two sports wagers;

76 (20) "Person", an individual, sole proprietorship, partnership, association,
77 fiduciary, corporation, limited liability company, or any other business entity;

78 (21) "Professional athletic or sporting event", an athletic or sporting event at which
79 two or more competitors participate and one or more competitors receive compensation;

80 (22) "Proposition wager", a wager on an individual action, statistic, occurrence, or
81 non-occurrence to be determined during an athletic or sporting event. "Proposition
82 wager" shall also include any such action, statistic, occurrence, or non-occurrence that
83 does not directly affect the final outcome of the athletic or sporting event to which it
84 relates;

85 (23) "Sports event", "sporting event", or "athletic event", a professional athletic
86 or sporting event, an amateur athletic or sporting event, a collegiate athletic or sporting
87 event, or any athletic event, motor race event, electronic sports event, or competitive video
88 game event;

89 (24) "Sports governing body", an organization that is headquartered in the United
90 States and that prescribes final rules and enforces codes of conduct with respect to a
91 sporting event and the participants therein;

92 (25) "Sports wagering", wagering conducted under sections 313.1000 to 313.1022
93 on athletic and sporting events, on portions of athletic and sporting events, or on the
94 individual statistics of athletes or competitors in a sporting event or combination of
95 sporting events. "Sports wagering" shall include, but not be limited to, single-game
96 wagers, teaser wagers, parlays, over-unders, moneylines, pools, exchange wagering,
97 in-game wagers, in-play wagers, proposition wagers, and straight wagers. "Sports
98 wagering" shall not include moneys spent to participate in paid fantasy sports under
99 sections 313.900 to 313.955;

100 (26) "Sports wagering commercial activity", any operation, promotion, signage,
101 advertising, or other business activity relating to sports wagering including, but not limited
102 to, the operation or advertising of a business or location at which sports wagering is offered

103 or a business or location at which sports wagering is promoted or advertised through one
104 or more interactive platforms;

105 (27) "Sports wagering device", a mechanical, electrical, or computerized
106 contrivance, terminal, device, apparatus, piece of equipment, or supply approved by the
107 commission for conducting sports wagering under sections 313.1000 to 313.1022. "Sports
108 wagering device" shall not include a device used by a sports wagering patron to access an
109 interactive sports wagering platform;

110 (28) "Sports wagering operator" or "operator", a certificate holder or an
111 interactive sports wagering platform offering sports wagering on behalf of a certificate
112 holder;

113 (29) "Supplier's license", a license issued by the commission under section 313.807;

114 (30) "Tier one sports wager", a sports wager that is determined solely by the final
115 score or outcome of the sporting event and is placed before the sporting event has begun;

116 (31) "Tier two sports wager", a sports wager that is not a tier one sports wager.

313.1002. All shipments of gambling devices used to conduct sports wagering under
2 sections 313.1000 to 313.1022 to licensed applicants or certificate holders, the registering,
3 recording, and labeling of which have been completed by the manufacturer or dealer
4 thereof in accordance with 15 U.S.C. Sections 1171 to 1178, as amended, shall be legal
5 shipments of gambling devices into this state.

313.1003. 1. Sports wagering shall not be offered in this state except by a licensed
2 facility.

3 2. A licensed facility may offer sports wagering:

4 (1) In person at the licensed facility;

5 (2) Through an approved limited mobile gaming system; and

6 (3) Over the internet via an interactive sports wagering platform to persons
7 physically located in this state.

8 3. Notwithstanding any provision of law to the contrary, sports wagering
9 commercial activity shall not occur within any designated sports and entertainment
10 district, except to the extent that the prohibition on such sports wagering commercial
11 activity is waived in writing by each designated sports and entertainment district entity
12 within a designated sports and entertainment district and such written waivers are
13 delivered to the commission; provided, however, that no such prohibition shall apply to the
14 sole activity of offering sports wagering over the internet via an interactive sports wagering
15 platform that is accessible to persons physically located within such designated sports and
16 entertainment district.

313.1004. 1. The commission shall adopt rules to implement the provisions of sections 313.1000 to 313.1022. 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 the effective date of this section shall be invalid and void.

2. Rules adopted under this section shall include, but not be limited to, the following:

(1) Standards and procedures to govern the conduct of sports wagering, including the manner in which:

(a) Wagers are received; and

(b) Payouts are paid;

(2) Standards governing how a certificate holder offers sports wagering over the internet through an interactive sports wagering platform to patrons physically located in Missouri or to patrons located in a state with which Missouri has entered into a reciprocal agreement on sports wagering;

(3) The manner in which a certificate holder's books and financial records relating to sports wagering are maintained and audited, including standards for the daily counting of a certificate holder's gross receipts from sports wagering and standards to ensure that internal controls are followed;

(4) Standards concerning the detection and prevention of compulsive gambling; and

(5) Standards prohibiting sports wagering commercial activity within any designated sports and entertainment district under subsection 3 of section 313.1003 and standards for applying and enforcing any waiver of such prohibition by a designated sports and entertainment district entity.

3. Rules adopted under this section shall require a certificate holder to make commercially reasonable efforts to do the following:

(1) Designate an area within the licensed facility operated by the certificate holder for sports wagering conducted under sections 313.1000 to 313.1022;

(2) Ensure the security and integrity of sports wagers accepted under an approved limited mobile gaming system;

36 (3) Ensure that the certificate holder's surveillance system covers all areas of the
37 licensed facility in which sports wagering is conducted;

38 (4) Allow the commission to be present through the commission's gaming agents
39 when sports wagering is conducted in all areas of the certificate holder's licensed facility
40 in which sports wagering is conducted, to do the following:

41 (a) Ensure maximum security of the counting and storage of the sports wagering
42 revenue received by the certificate holder;

43 (b) Certify the sports wagering revenue received by the certificate holder; and

44 (c) Receive complaints from the public;

45 (5) Ensure that individuals who are under twenty-one years of age do not make
46 sports wagers;

47 (6) Provide written information to sports wagering patrons about sports wagering,
48 payouts, winning wagers, and other information considered relevant by the commission;
49 and

50 (7) Post a sign in the designated sports wagering area indicating the minimum and
51 maximum amounts that may be wagered.

 313.1006. 1. Sports wagering shall not be conducted except on an excursion
2 gambling boat licensed under this chapter.

3 2. A licensed applicant who wishes to offer sports wagering under sections 313.1000
4 to 313.1022 shall:

5 (1) Submit an application to the commission in the manner prescribed by the
6 commission for each licensed facility in which the licensed applicant wishes to conduct
7 sports wagering; and

8 (2) Pay an initial application fee of twenty-five thousand dollars, which shall be
9 deposited in the gaming commission fund and distributed according to section 313.835.

10 3. Upon receipt of the application and fee required under subsection 1 of this
11 section, the commission shall issue a certificate of authority to a licensed applicant
12 authorizing the licensed applicant to conduct sports wagering under sections 313.1000 to
13 313.1022 in a licensed facility, in another location authorized under sections 313.1000 to
14 313.1022, or through an interactive sports wagering platform.

 313.1008. 1. The commission shall test newsports wagering devices and new forms,
2 variations, or composites of sports wagering under the terms and conditions that the
3 commission considers appropriate prior to authorizing a certificate holder to offer a new
4 sports wagering device or a new form, variation, or composite of sports wagering.

5 2. (1) A certificate holder shall designate an area or areas within the certificate
6 holder's licensed facility for conducting sports wagering. In addition to such designated

7 area, sports wagering may be conducted at any location authorized under subsection 10
8 of this section through the use of an approved limited mobile gaming system. An approved
9 limited mobile gaming system shall not be counted against a certificate holder's limit of
10 three individually branded interactive sports wagering platforms under subdivision (2) of
11 this subsection.

12 (2) A certificate holder may administer or contract with up to three individually
13 branded interactive sports wagering platforms to administer interactive sports wagering
14 on the certificate holder's behalf. The certificate holder or its interactive sports wagering
15 platform provider shall have the authority to establish sports wagering accounts
16 electronically through approved mobile applications and interactive sports wagering
17 platforms.

18 3. (1) Except as provided in subdivision (2) of this subsection, a person who is less
19 than twenty-one years of age shall not be present in the area designated under subsection
20 2 of this section where sports wagering is being conducted.

21 (2) A person who is at least eighteen years of age and who is an employee of the
22 certificate holder may be present in an area where sports wagering is conducted. However,
23 an employee who is less than twenty-one years of age shall not perform any function
24 involving sports wagering by patrons.

25 4. (1) Sports wagering may be conducted with chips, tokens, electronic cards, cash,
26 or other negotiable currency.

27 (2) Interactive sports wagering accounts may be funded through:

28 (a) Cash;

29 (b) Checks and electronic checks;

30 (c) Electronic bank transfer of funds including, but not limited to, transfers made
31 through third parties;

32 (d) Debit cards;

33 (e) Credit cards;

34 (f) Online and mobile payment systems that support online money transfers; and

35 (g) Any other method approved by the commission.

36 (3) A certificate holder shall determine the minimum and maximum wagers in
37 sports wagering conducted in the certificate holder's licensed facility.

38 5. A certificate holder shall not permit any sports wagering on the premises of the
39 licensed facility except as provided under subsection 2 of this section.

40 6. A sports wagering device shall be approved by the commission and acquired by
41 a certificate holder from a licensed supplier.

42 7. The commission shall determine the occupations related to sports wagering that
43 require an occupational license.

44 8. A certificate holder may lay off one or more sports wagers.

45 9. A certificate holder may contract with a third party to conduct sports wagering
46 at an individually branded sportsbook at the certificate holder's licensed facility.

47 10. (1) A certificate holder may request approval from the commission to use a
48 limited mobile gaming system in the certificate holder's sports wagering operations.

49 (2) A certificate holder may approve the use of a limited mobile gaming system to
50 allow a patron to wager on sports while in the following locations:

51 (a) The area designated under subsection 2 of this section;

52 (b) A gaming or other betting area of the certificate holder's licensed facility that
53 is outside of the area designated under subsection 2 of this section; or

54 (c) A hotel, restaurant, or other amenity that is operated by the certificate holder
55 and subject to the supervision of the commission.

56

57 A patron shall not transmit a sports wager using a mobile gaming system while present in
58 any other location.

 313.1010. 1. An interactive sports wagering platform provider may offer sports
2 wagering on behalf of a certificate holder only if the interactive sports wagering platform
3 holds an interactive sports wagering platform license issued by the commission.

4 2. An applicant for an interactive sports wagering platform license shall:

5 (1) Submit an application to the commission in the manner prescribed by the
6 commission to verify the platform's eligibility under this section; and

7 (2) Pay an initial application fee of twenty-five thousand dollars.

8 3. Each year on or before the anniversary date of the payment of the initial
9 application fee under this section, an interactive sports wagering platform provider holding
10 a license issued under this section shall pay to the commission an annual license renewal
11 fee of fifty thousand dollars. Such license renewal fees and the initial application fee
12 provided for under this section shall be deposited in the gaming commission fund and
13 distributed according to section 313.835.

14 4. Notwithstanding any other provision of law to the contrary, the following
15 information shall be confidential and shall not be disclosed to the public unless required
16 by court order or by any other provision of section 313.1000 to 313.1022:

17 (1) An interactive sports wagering platform license application; and

(2) All documents, reports, and data submitted by an interactive sports wagering platform provider to the commission containing proprietary information, trade secrets, financial information, or personally identifiable information about any person.

5. An interactive sports wagering platform provider may submit a request to the commission for the issuance of a temporary interactive sports wagering platform license and the immediate commencement of sports wagering operations. Such a request shall include the initial application fee identified in subdivision (2) of subsection 2 of this section. Upon receiving a request for a temporary interactive sports wagering platform license, the commission shall review the request. If the commission determines that the entity requesting the temporary interactive sports wagering platform license offers sports wagering through an interactive sports wagering platform in any jurisdiction in the United States pursuant to a state regulatory structure specifically determined by the commission to have similar regulatory requirements, and the entity has paid the initial application fee, the commission shall authorize the interactive sports wagering platform provider to conduct sports wagering on behalf of a certificate holder under a temporary interactive sports wagering platform license until a final determination on the interactive sports wagering platform provider's license application is made.

313.1012. 1. A certificate holder shall make commercially reasonable efforts to verify that a person placing a wager is of the legal minimum age for placing a wager under sections 313.1000 to 313.1022.

2. A certificate holder shall not offer proposition wagers on:

(1) Any collegiate athletic or sporting event in which a collegiate team from this state is a participant; or

(2) The individual performance statistics of an athlete in a collegiate athletic or sporting event in which a collegiate team from this state is a participant.

3. The commission shall adopt rules and regulations for a sports wagering self-exclusion program. 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 the effective date of this section shall be invalid and void.

4. Rules promulgated under subsection 3 of this section shall:

19 (1) Allow individuals to restrict themselves from placing wagers with the certificate
20 holder; and

21 (2) Enable the certificate holder to take reasonable steps to prevent a person from
22 placing wagers prohibited under sections 313.1000 to 313.1022, including sharing, upon
23 request of the person, the person's request for self-exclusion with the commission, for the
24 sole purpose of disseminating the request to other sports wagering certificate holders.

25 5. The commission shall adopt rules that require sports wagering operators to make
26 commercially reasonable efforts to ensure that advertisements for sports wagering:

27 (1) Do not target minors or other persons who are ineligible to place wagers,
28 problem gamblers, or other vulnerable persons;

29 (2) Disclose the identity of the sports wagering certificate holder;

30 (3) Provide information about or links to resources relating to gambling addiction;

31 (4) Are not otherwise false, misleading, or deceptive to a reasonable consumer; and

32 (5) Are not undertaken within any designated sports and entertainment district
33 without a waiver from each applicable designated sports and entertainment district entity
34 under subsection 3 of section 313.1003.

 313.1014. 1. The commission may make background checks under this section.
2 A background check conducted under this section shall be consistent with the provisions
3 of section 313.810 and shall include a search for criminal history and any charges or
4 convictions involving corruption or manipulation of sporting events. The commission shall
5 not grant a license, except for a temporary license under section 313.1010, until the
6 commission determines that each person that has control of the applicant meets all
7 qualifications for licensure. The following persons are considered to have control of an
8 applicant:

9 (1) Each corporate holding company, parent company, subsidiary company, or
10 other person that owns ten percent or more of a corporate applicant and that has the
11 ability to control the activities of the corporate applicant or elect a majority of the board
12 of directors of the corporate applicant, except for a bank or other licensed lending
13 institution that holds a mortgage or other lien acquired in the ordinary course of business;

14 (2) Each person associated with a noncorporate applicant that directly or indirectly
15 holds a beneficial or proprietary interest in the noncorporate applicant's business
16 operation or that the director otherwise determines has the ability to control the
17 noncorporate applicant; and

18 (3) Key personnel of an applicant, including any executive, employee, or agent
19 having the power to exercise ultimate decision-making authority over the applicant's sports
20 wagering operation in the state of Missouri.

21 **2. (1) A certificate holder shall employ commercially reasonable methods to:**

22 **(a) Prohibit the certificate holder; directors, officers, and employees of the**
23 **certificate holder; and any relative living in the same household of a person described in**
24 **this paragraph from placing sports wagers with the certificate holder;**

25 **(b) Using publicly available information and any lists of employees and affiliates**
26 **provided to the certificate holder or the commission by a sports governing body, prohibit**
27 **wagering by any athlete, coach, referee, team owner, employee of a sports governing body**
28 **or one of its member teams, or player or referee union personnel;**

29 **(c) Prohibit any individual with access to nonpublic confidential information held**
30 **by the certificate holder from placing sports wagers with the certificate holder;**

31 **(d) Prevent the sharing of confidential information that could affect sports**
32 **wagering offered by the certificate holder or by third parties until the information is made**
33 **publicly available; and**

34 **(e) Prohibit persons from placing sports wagers as agents or proxies for other**
35 **persons.**

36 **(2) Nothing in this section shall preclude the use of internet or cloud-based hosting**
37 **of data, or any disclosure of information required by court order or other provisions of**
38 **law.**

39 **3. A sports governing body may notify the commission that it desires to restrict,**
40 **limit, or exclude sports wagers on its sporting events by providing notice in the form and**
41 **manner as the commission may require. Upon receiving such notice, the commission shall**
42 **only deny a request if it deems such request arbitrary and capricious. If the commission**
43 **denies a request, the sports governing body shall be afforded notice and the right to be**
44 **heard and offer proof in opposition to such determination in accordance with the**
45 **regulations of the commission. Offering or taking wagers contrary to restrictions**
46 **promulgated by the commission is a violation of this section. In the event that a request**
47 **is submitted in relation to an emergency situation, the executive director of the commission**
48 **may temporarily grant the request of the sports governing body until the commission**
49 **makes a final determination as to whether such request is arbitrary and capricious.**

50 **4. The commission and certificate holders shall cooperate with investigations**
51 **conducted by law enforcement agencies, including by providing or facilitating the**
52 **provision of betting information and audio or video files relating to persons placing sports**
53 **wagers.**

54 **5. A certificate holder shall, within a commercially reasonable timeframe, report**
55 **to the commission any information relating to:**

56 (1) Criminal or disciplinary proceedings commenced against the certificate holder
57 in connection with its operations;

58 (2) Bets or wagers that violate state or federal law;

59 (3) Abnormal wagering activity or patterns that may indicate a concern regarding
60 the integrity of a sporting event or events;

61 (4) Any potential breach of the relevant sports governing body's internal rules and
62 codes of conduct pertaining to sports wagering;

63 (5) Any other conduct that corrupts the wagering outcome of a sporting event or
64 events for purposes of financial gain including, but not limited to, match-fixing; and

65 (6) Suspicious or illegal wagering activities including, but not limited to, use of
66 funds derived from illegal activity, wagers to conceal or launder funds derived from illegal
67 activity, using agents to place wagers, and using false identification.

68 6. A certificate holder shall immediately report any information relating to conduct
69 described in subdivisions (3) to (5) of subsection 5 of this section to the relevant sports
70 governing body.

71 7. A certificate holder shall maintain the confidentiality of information provided
72 by a sports governing body to the certificate holder unless disclosure is required by court
73 order, the commission, or any other provision of law.

74 8. Certificate holders may use any data source for determining the results of all tier
75 one sports wagers.

76 9. (1) A sports governing body headquartered in the United States may notify the
77 commission that it desires certificate holders to use official league data to settle tier two
78 sports wagers on sporting events sanctioned by such sports governing body. Such
79 notification shall be made in the form and manner as the commission may require. The
80 commission shall notify each certificate holder of a sports governing body's notification
81 within five days of the commission's receipt of such notification. If a sports governing body
82 does not notify the commission of its desire to supply official league data, a certificate
83 holder may use any data source for determining the results of any and all tier two sports
84 wagers on athletic events of such sports governing body.

85 (2) Within sixty days of the commission notifying each certificate holder of a sports
86 governing body's notification to the commission, or within a longer period as may be
87 agreed between the sports governing body and the applicable certificate holder, certificate
88 holders shall use only official league data to determine the results of tier two sports wagers
89 on athletic events sanctioned by such sports governing body, unless:

90 (a) The sports governing body or designee cannot provide a feed of official league
91 data to determine the results of a particular type of tier two sports wager, in which case

certificate holders may use any data source for determining the results of the applicable tier two sports wager until such time as such data feed becomes available on commercially reasonable terms; or

(b) A certificate holder can demonstrate to the commission that the sports governing body or its designee will not provide a feed of official league data to the certificate holder on commercially reasonable terms. The following shall be a non-exclusive list of other factors the commission may consider in evaluating whether official league data is being offered on commercially reasonable terms:

a. The availability of a sports governing body's tier two official league data to a certificate holder from more than one authorized source;

b. Market information regarding the purchase by a certificate holder of data from any authorized source, including sports governing bodies or their designees for the purpose of settling sports wagers, for use in this state or other jurisdictions;

c. The nature and quantity of data, including the quality and complexity of the process utilized for collecting such data; and

d. The extent to which sports governing bodies or their designees have made data used to settle tier two bets or wagers available to certificate holders.

(3) During the pendency of a determination as to whether official league data is commercially reasonable, a certificate holder may use any data source for determining the results of any and all tier two sports wagers. The commission's determination shall be made within one hundred twenty days of the certificate holder notifying the commission that it desires to demonstrate that the sports governing body or its designee will not provide a feed of official league data to the certificate holder on commercially reasonable terms.

10. A sports governing body may enter into commercial agreements with certificate holders or interactive sports wagering platform providers in which such sports governing body may share in the amount bet or revenues derived from sports wagering on the sports governing body's sporting events. A sports governing body is not required to obtain a license or any other approval from the commission to lawfully accept such amounts or revenues.

313.1016. 1. A certificate holder shall maintain the following records of all bets and wagers that are placed on an interactive sports wagering platform and of any other bets and wagers that exceed ten thousand dollars and that are placed in person at a licensed facility, for a period of at least three years after the sporting event occurs:

(1) Personally identifiable information of the bettor;

(2) The amount and type of bet placed;

- 7 (3) The time and date the bet was placed;
8 (4) The location, including specific information pertaining to the betting window,
9 where the bet was placed;
10 (5) The outcome of the bet;
11 (6) Records of abnormal betting activity; and
12 (7) Video camera recordings in the case of in-person wagers.

13 2. A certificate holder shall make the records and data that it is required to
14 maintain under this subsection 1 of this section available for inspection upon request of the
15 commission or as required by court order.

16 3. If a sports governing body has notified the commission that real-time
17 information sharing for wagers placed on its sporting events is necessary and desirable,
18 sports wagering operators shall share in real-time, at the account level and in
19 pseudonymous form, the information required to be retained under subsection 1 of this
20 section, other than video files, with the sports governing body or its designee with respect
21 to wagers on its sporting events. Such information shall be used by a sports governing
22 body solely for integrity purposes. For purposes of this subsection, "real-time" means on
23 a commercially reasonable periodic interval, but no less than once every seventy-two hours.

 313.1018. 1. The performance of any act required, or the forbearance of any act
2 prohibited, by sections 313.1000 to 313.1022, by an interactive sports wagering platform
3 provider shall be imputed to the certificate holder on behalf of which the platform is
4 operating, and vice versa.

5 2. A certificate holder shall not be not liable under the laws of this state to any
6 party, including patrons, for disclosing information as required under sections 313.1000
7 to 313.1022, and shall not be liable for refusing to disclose information unless required
8 under sections 313.1000 to 313.1022.

 313.1022. 1. A wagering tax of six and one-quarter percent is imposed on the
2 adjusted gross receipts received from sports wagering conducted by a certificate holder
3 under sections 313.1000 to this section. If a third party is contracted to conduct sports
4 wagering at a certificate holder's licensed facility, the third party contractor shall fulfill
5 the certificate holder's duties under this section.

6 2. A certificate holder shall remit the tax imposed under subsection 1 of this section
7 to the department before the close of the business day one day prior to the last business day
8 of each month for the wagering taxes collected for such month. Any taxes collected during
9 the month, but after the day on which the taxes are required to be paid to the department,
10 shall be paid to the department at the same time the following month's taxes are due.

11 **3. The payment of the tax under this section shall be by an electronic funds transfer**
12 **by an automated clearinghouse.**

13 **4. Revenues received from the tax imposed under subsection 1 of this section shall**
14 **be deposited in the state treasury to the credit of the gaming proceeds for education fund**
15 **and shall be distributed as provided under section 313.822.**

16 **5. (1) A certificate holder shall pay to the commission an annual administrative fee**
17 **of fifty thousand dollars. The fee imposed shall be due one year after the date on which**
18 **the certificate holder commences sports wagering operations under sections 313.1000 to**
19 **313.1022, and on each annual anniversary date thereafter. The commission shall deposit**
20 **the administrative fees received under this subsection in the gaming commission fund and**
21 **shall distribute such fees according to section 313.835.**

22 **(2) In addition to the annual administrative fee required under this subsection, a**
23 **certificate holder shall pay to the commission a fee of ten thousand dollars to cover the**
24 **costs of a renewal investigation of the certificate holder in the fifth year after the date on**
25 **which the certificate holder commences sports wagering operations under sections**
26 **313.1000 to 313.1022 and on each fifth year thereafter. The commission shall deposit the**
27 **fees received under this subdivision in the gaming commission fund and shall distribute**
28 **such fees according to section 313.835.**

 572.015. Nothing in this chapter prohibits constitutionally authorized activities under
2 Article III, Sections 39(a) to 39(f) of the Missouri Constitution, **including a raffle using tickets,**
3 **a device, or a machine, where a person or persons buy one or more chances from a finite**
4 **number of draws for a prize. A machine or device shall be certified as a raffle by an**
5 **ISO-17025-accredited independent testing laboratory authorized to test similar devices for**
6 **compliance in at least five jurisdictions.**

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