

FIRST REGULAR SESSION

# HOUSE BILL NO. 1014

101ST GENERAL ASSEMBLY

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INTRODUCED BY REPRESENTATIVE HOUX.

2197H.011

DANA RADEMAN MILLER, Chief Clerk

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## AN ACT

To repeal section 572.015, RSMo, and to enact in lieu thereof ten new sections relating to the Missouri video lottery control act, with a penalty provision.

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

Section A. Section 572.015, RSMo, is repealed and ten new sections enacted in lieu thereof, to be known as sections 313.360, 313.425, 313.427, 313.429, 313.431, 313.433, 313.434, 313.435, 313.437, and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 conducting 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;**

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

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.

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 at least ten thousand gallons of diesel or  
18 biodiesel fuel each month for the previous twelve months or is projected to sell an average  
19 of at least ten thousand gallons of diesel or biodiesel fuel each month for the next twelve  
20 months; that is situated on two or more acres of land; that operates a convenience store;  
21 and that obtains and maintains a lottery game retailer license issued by the commission to  
22 offer lottery 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 that is  
31 offered in an electronic format and in which the outcome of such game is determined by  
32 a randomly generated result using a video lottery game terminal using video lottery game  
33 terminal credits that have been purchased with cash, cash equivalents, or with a winning  
34 video lottery game terminal ticket;

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

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

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

46 **distribute or service video lottery game terminals or major parts and components of video**  
47 **lottery game terminals including buying, selling, leasing, renting, or financing new, used,**  
48 **or refurbished video lottery game terminals to and from licensed video lottery game**  
49 **manufacturers and licensed video lottery game operators;**

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

53 **(11) "Video lottery game retailer":**

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

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

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

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

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

81           **(15) "Video lottery game ticket redemption terminal", the collective hardware,**  
82 **software, communications technology, and other ancillary equipment used to facilitate the**  
83 **payment of tickets cashed out by players as a result of playing a video lottery game**  
84 **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 conducting lottery games using video**  
6 **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 a video lottery game retailer;**

10           **(b) Video lottery game operator shall be issued a license as a video lottery game**  
11 **manufacturer, a 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, a 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 **2026.**

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; and

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 to 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) Rental or lease agreements between a video lottery game operator and a video  
97 lottery game manufacturer or distributor for video lottery game terminals shall be written  
98 at a flat rate and shall not include revenue splitting as a method used in the calculation of  
99 the lease or rent.

100           (3) Licensed video lottery game operators and licensed video lottery game retailers  
101 shall enter into a written agreement for the placement of video lottery game terminals. The  
102 agreement shall be on a form approved by the commission and shall specify an equal  
103 division of adjusted gross receipts between the video lottery game operator and the video  
104 lottery game retailer after adjustments for taxes and administrative fees are made. A video

105 lottery game operator shall be responsible for remitting to the commission and the video  
106 lottery game retailer its share of adjusted gross receipts. Nothing in this subdivision shall  
107 prohibit a licensed video lottery game operator from entering into an agreement with a  
108 sales agent for retailer agreements, provided such agreement is in writing and approved  
109 by the commission prior to beginning sales activities and prior to the start date established  
110 under section 313.431. Video lottery game operators and their sales agents and affiliates  
111 and video lottery game retailers are specifically prohibited from offering anything of value,  
112 other than the percentage of adjusted gross receipts provided under this subsection, or  
113 entering into an agreement with a retailer prior to the start date for the initial or continued  
114 placement of video lottery game terminals. Contract agreements entered into prior to the  
115 start date established under section 313.431 between a perspective video lottery game  
116 terminal operator or sales agent with a prospective video lottery game retailer shall be  
117 invalid. Persons violating this subdivision shall forfeit their right to a license to operate  
118 video lottery game terminals for a period of one year.

119 (4) To combat problem gambling, video lottery game operators shall allow players  
120 to be self-excluded from video lottery game play. Operators shall provide the commission  
121 with a list of players that have elected to be self-excluded from video lottery game play  
122 within thirty days of such election and shall update such list periodically as required by the  
123 commission. Such self-excluded list shall be considered confidential information and shall  
124 not be released to the public. The commission shall issue such self-exclusion procedures  
125 by rule.

126 (5) Nothing in this section shall be construed to prevent a video lottery game  
127 operator or a video lottery retailer from using a player rewards system as approved by the  
128 commission. No player shall be required to enroll in a rewards program offered by a video  
129 lottery game operator or video lottery game retailer as a condition to play video lottery  
130 games.

131 8. No licensed video lottery game operator shall:

132 (1) Offer video lottery gaming terminals that directly dispense anything of value  
133 except for tickets for winning plays. Tickets shall be dispensed by pressing the ticket  
134 dispensing button on the video lottery gaming terminal at the end of any video lottery game  
135 play. The ticket shall indicate the total amount of video lottery game terminal credits and  
136 the cash award, the time of day in a twenty-four-hour format showing hours and minutes,  
137 the date, the terminal serial number, the sequential number of the ticket, and an encrypted  
138 validation number from which the validity of the prize may be determined. The cost of the  
139 video lottery game terminal credits shall be one cent, five cents, ten cents, or twenty-five  
140 cents, and the maximum wager played per video lottery game shall not exceed five dollars

141 with the payoff for a winning maximum wager for a single game play being no more than  
142 one thousand dollars;

143 (2) Operate more than ten video lottery game terminals per location on the  
144 premises of a fraternal organization, veterans organization, or truck stop that has secured  
145 and maintains a video lottery game retailer's license;

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

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

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

159 9. (1) No person under twenty-one years of age shall play video lottery games, and  
160 such video lottery game terminals shall be under the supervision of a person who is  
161 twenty-one years of age or older to prevent persons under twenty-one years of age from  
162 playing video lottery games. Video lottery game terminals shall provide a secure, real-time  
163 method by which any person playing a video lottery game can electronically verify the  
164 person's age and identity before the person is allowed to play any game on such terminal.  
165 Video lottery game terminals shall be placed in a fully enclosed room that is continually  
166 monitored by video surveillance and where access to persons under twenty-one years of age  
167 is denied by a procedure approved by the commission. A warning sign shall be posted in  
168 a conspicuous location where such video lottery game terminals are located, containing in  
169 red lettering at least one-half inch high on a white background the following:

170 "YOU MUST BE AT LEAST 21 YEARS OF AGE TO PLAY VIDEO LOTTERY  
171 GAMES."

172 (2) In addition to the placement and supervision requirements of this subsection,  
173 a video lottery game operator shall provide video surveillance in the immediate area of the  
174 video lottery game retailer's establishment where video lottery game terminals are located.  
175 Recorded video from such surveillance system shall be made available to the commission  
176 upon request and shall be reviewed by video lottery game operators as required by the



177 **commission for any violation of law, rule, or regulation governing the conducting of video**  
178 **lottery games. A video lottery game operator that fails to review such surveillance video**  
179 **and report any known violation of law, rule, or regulation governing the conducting of**  
180 **video lottery games in conformance with established commission procedures may be**  
181 **subject to an administrative fine not to exceed five thousand dollars. Any video lottery**  
182 **game retailer that fails to report any known violation of law, rule, or regulation governing**  
183 **the conducting of video lottery games in conformity with established commission**  
184 **procedures may be subject to an administrative fine not to exceed five thousand dollars.**  
185 **In the event a video lottery game operator or retailer is found to have knowingly**  
186 **committed a violation governing the conducting of video lottery games, the commission**  
187 **may impose an administrative fine not to exceed five thousand dollars, suspend such**  
188 **operator's or retailer's license for up to thirty days, or, in the case of repeated violations,**  
189 **revoke such operator's or retailer's license for a period of one year. Any video lottery**  
190 **game operator or retailer aggrieved by the commission's decision in any disciplinary action**  
191 **that results in the suspension or revocation of such operator's or retailer's video lottery**  
192 **game license may appeal such decision by filing an action in circuit court. The commission**  
193 **shall refer a violation of the criminal code, with any evidence thereof, to the appropriate**  
194 **law enforcement officials.**

195 **(3) Video lottery game retailers shall provide an intrusion detection system capable**  
196 **of detecting unauthorized entrance of the video lottery game retailer's establishment**  
197 **during nonbusiness hours and shall report to the commission any unauthorized entrance**  
198 **of the video lottery game retailer's establishment. Such surveillance and intrusion**  
199 **detection system shall meet specifications as defined by the commission.**

200 **(4) A video lottery game operator shall post a sign in a conspicuous location where**  
201 **such video lottery game terminals are located, containing in red lettering at least one-half**  
202 **inch high on a white background the telephone contact number "(1-888-BETSOFF)" for**  
203 **the problem gambling helpline.**

204 **10. (1) Video lottery game operators shall pay the commission thirty-six percent**  
205 **of the video lottery game adjusted gross receipts, which shall be deposited in the state**  
206 **lottery fund. The commission shall transfer, subject to appropriation, an annual amount**  
207 **not to exceed two hundred fifty thousand dollars of the amount received from all operators**  
208 **from the lottery fund to the compulsive gamblers fund established in section 313.842, after**  
209 **which the commission shall transfer the remaining amount received from each operator**  
210 **from the lottery fund to the lottery proceeds fund after administrative expenses equal to**  
211 **four percent of the video lottery game adjusted gross receipts are paid to the municipality**  
212 **where a licensed video lottery game retailer maintains an establishment licensed for the**

213 operation of video lottery game terminals, or if such licensed establishment is not located  
214 within the corporate boundaries of a municipality, then to the county where such licensed  
215 establishment is located to reimburse such municipality or county for administrative  
216 expenses, and after any administrative expenses for the commission that are not covered  
217 by reimbursements from operators are deducted. Net proceeds transferred to the lottery  
218 proceeds fund shall be appropriated equally to public elementary and secondary education  
219 and public institutions of higher education with an emphasis on funding elementary and  
220 secondary education student transportation costs and public institutions of higher  
221 education workforce development programs.

222 (2) Video lottery game operators shall retain the remainder of the video lottery  
223 game adjusted gross receipts, a portion of which shall be used to pay for administrative  
224 expenses which shall include the cost of the centralized computer system, which cost shall  
225 be paid by video lottery game operators in proportion to the number of video lottery game  
226 terminals operated. Fifty percent of the costs of the centralized computer system shall be  
227 apportioned by the video lottery game operator among video lottery game retailers to  
228 which it provides operations based on the number of video lottery game terminals located  
229 at the video lottery game retailer's establishment. The remainder of adjusted gross receipts  
230 retained by the video lottery game operator, after the cost of the centralized computer  
231 system and administrative costs are paid and apportioned, shall be divided equally between  
232 the video lottery game operator and video lottery game retailer as agreed under  
233 subdivision (2) of subsection 6 of this section.

234 11. Moneys received by the commission and all interest earned thereon shall first  
235 be used for administrative expenses associated with supervising and enforcing the  
236 provisions of sections 313.425 to 313.437. The net proceeds shall be appropriated solely for  
237 public institutions of elementary and secondary schools. A minimum of twenty million  
238 dollars shall be appropriated to a center for education safety for the purposes of providing  
239 training and issuing safety-related grants to public school districts. The center for  
240 education safety shall be designated by the department of elementary and secondary  
241 education to assist the department and the state in coordinating school safety initiatives.  
242 The center for education safety shall be sponsored by a statewide education association  
243 that has existed for over fifty years whose directors consist entirely of public school board  
244 members. A minimum of twenty million dollars of the net proceeds shall be distributed by  
245 the department of elementary and secondary education to public school districts on a pro  
246 rata basis to be used solely for teacher compensation and benefits.

247 12. The commission shall contract with a state law enforcement entity to assist in  
248 conducting investigations into applicants for any video lottery game license and to

249 investigate violations by any retail lottery game licensee of any of the provisions of sections  
250 313.425 to 313.437 or other provisions of state law regulating illegal gambling activities  
251 referred by the commission. A video lottery game licensee suspected of a violation shall be  
252 afforded an on-the-record administrative hearing by the director of the state lottery. An  
253 appeal of any action taken to impose a fine on such licensee, or to suspend or revoke the  
254 ability of a licensee to offer lottery game products for sale, shall be to the commission. Any  
255 such administrative suspension or revocation upheld by the commission may be appealed  
256 by the video lottery game licensee in a state court of competent jurisdiction.

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

272 **14. The commission shall adopt rules for the implementation of the video lottery**  
273 **game system authorized under sections 313.425 to 313.437 including, but not limited to, the**  
274 **placement of video lottery game terminals within a retail establishment and the active**  
275 **oversight of the conducting of video lottery games. Any rule or portion of a rule, as that**  
276 **term is defined in section 536.010, that is created under the authority delegated in this**  
277 **section shall become effective only if it complies with and is subject to all of the provisions**  
278 **of chapter 536 and, if applicable, section 536.028. This section and chapter 536 are**  
279 **nonseverable, and if any of the powers vested with the general assembly pursuant to**  
280 **chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are**  
281 **subsequently held unconstitutional, then the grant of rulemaking authority and any rule**  
282 **proposed or adopted after August 28, 2021, shall be invalid and void.**

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

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

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

11           **(3) Issue an approved form for persons applying for a video lottery game terminal**  
12 **operator's license available for use in contracting with a video lottery game retailer within**  
13 **one hundred twenty days of the effective date of this section; and**

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

**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 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 municipality may adopt an ordinance prohibiting video lottery game**  
2 **terminals within the corporate limits of such municipality within one hundred eighty days**  
3 **after 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 eighty days after 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. 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 other persons or other circumstances shall not be affected  
4 thereby.

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, in which a person or persons buys one or more chances from a**  
4 **finite number of draws for a prize. In order to qualify as a raffle, a machine or device shall**  
5 **be certified as a raffle by an ISO-17025-accredited independent testing laboratory**  
6 **authorized to test similar devices for compliance in at least five jurisdictions.**

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