

SECOND REGULAR SESSION

HOUSE BILL NO. 2989

103RD GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE HARDWICK.

6459H.01I

JOSEPH ENGLER, Chief Clerk

AN ACT

To repeal sections 43.050, 313.820, 572.010, 572.020, 572.070, and 572.100, 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Section A. Sections 43.050, 313.820, 572.010, 572.020, 572.070, and 572.100, RSMo, are repealed and twenty-three new sections enacted in lieu thereof, to be known as sections 27.180, 43.050, 313.425, 313.427, 313.429, 313.431, 313.433, 313.435, 313.437, 313.438, 313.439, 313.440, 313.441, 313.442, 313.443, 313.444, 313.445, 313.820, 572.010, 572.020, 572.070, 572.100, and 650.930, to read as follows:

27.180. There is hereby created in the state treasury the "Illegal Gaming Enforcement Fund", which shall consist of moneys received by the state treasury pursuant to subdivision (3) of subsection 3 of section 313.429 or other funds so appropriated. The state treasurer shall be custodian of the fund. In accordance with sections 30.170 and 30.180, the state treasurer may approve disbursements. Moneys in the fund shall be used by the attorney general, prosecutors, and law enforcement to investigate, enforce, charge, and prosecute violations of chapter 572. Notwithstanding the provisions of section 33.080 to the contrary, any moneys remaining in the fund at the end of the biennium shall not revert to the credit of the general revenue fund. The state treasurer shall invest moneys in the fund in the same manner as other funds are invested. Any interest and moneys earned on such investments shall be credited to the fund.

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.

43.050. 1. The superintendent may appoint not more than thirty-four captains and one director of radio, each of whom shall have the same qualifications as the superintendent, nor more than sixty-eight lieutenants, and such additional force of sergeants, corporals and patrolmen, so that the total number of members of the patrol shall not exceed one thousand sixty-four officers and patrolmen and such numbers of radio personnel as the superintendent deems necessary.

2. In case of a national emergency the superintendent may name additional patrolmen and radio personnel in a number sufficient to replace, temporarily, patrolmen and radio personnel called into military services.

3. The superintendent may enter into an agreement with the Missouri gaming commission to enforce any law, rule, or regulation, conduct background investigations under the laws of this state, and enforce the regulations of licensed gaming activities governed by chapter 313. A notice of either party to terminate or modify the provisions of such agreement shall be in writing and executed not less than one year from the effective date of the termination or modification, unless mutually agreed upon by the superintendent and the Missouri gaming commission. Members of the patrol hired in conjunction with any agreement with the Missouri gaming commission shall not be subject to the personnel cap referenced in subsection 1 of this section. If such agreement is subsequently terminated or modified to reduce the number of personnel used in such agreement, those members affected by such termination or modification shall not be subject to the personnel cap referenced in subsection 1 of this section for a period of five years.

4. **The superintendent may enter into an agreement with the Missouri lottery commission to enforce any law, rule, or regulation, conduct background investigations under the laws of this state, and enforce the regulations of licensed lottery activities governed by chapter 313. A notice of either party to terminate or modify the provisions of such agreement shall be in writing and executed not less than one year from the effective date of the termination or modification, unless mutually agreed upon by the superintendent and the Missouri lottery commission. Members of the patrol hired in conjunction with any agreement with the Missouri lottery commission shall not be subject to the personnel cap referenced in subsection 1 of this section. If such agreement is subsequently terminated or modified to reduce the number of personnel used in such agreement, those members affected by such termination or modification shall not be subject to the personnel cap referenced in subsection 1 of this section for a period of five years.**

5. Member positions of the patrol originally acquired in conjunction with the community-oriented policing services federal grant or members assigned to fulfill the duties

37 established in sections 43.350 to 43.380 shall not be subject to the personnel cap referenced in
38 subsection 1 of this section.

39 ~~[5:]~~ 6. Applicants shall not be discriminated against because of race, creed, color,
40 national origin or sex.

**313.425. Sections 313.425 to 313.445 shall be known and may be cited as the
2 "Missouri Video Lottery Regulatory Act" and shall provide additional funding for
3 Missouri education programs and additional resources for Missouri municipalities and
4 counties by establishing a licensing and regulatory framework for a system of video
5 lottery game terminals to conduct video lottery games.**

313.427. As used in sections 313.425 to 313.445, the following terms shall mean:

2 **(1) "Adjusted gross gaming revenue", the amount of revenue generated by a
3 video lottery game terminal that is remaining after:**

4 **(a) Payment of winnings to players; and**

5 **(b) Deduction by the commission of that amount necessary to pay direct
6 administrative costs for the operation of the central control system, but before
7 deduction of the adjusted gross gaming revenue tax;**

8 **(2) "Adjusted gross gaming revenue tax", a tax of thirty-one percent imposed on
9 adjusted gross gaming revenue;**

10 **(3) "Central control system", a computer system developed or procured by the
11 commission that connects all video lottery game terminals, redemption terminals, and
12 other necessary equipment using standard industry protocols capable of monitoring
13 activity on a video lottery game terminal, redemption terminal, and other necessary
14 equipment, and that can activate or deactivate a video lottery gaming terminal;**

15 **(4) "Commission" or "lottery commission", the state lottery commission
16 appointed by the governor to manage and oversee the lottery under section 313.215;**

17 **(5) "Department", the Missouri department of revenue;**

18 **(6) "Municipality and county administration tax", a tax of three percent
19 imposed on adjusted gross gaming revenue;**

20 **(7) "Net terminal income", the amount of adjusted gross gaming revenue
21 remaining after deduction of the gross gaming revenue tax and municipality and county
22 administration tax, which shall be divided equally between the video lottery game
23 operator and the video lottery game retailer;**

24 **(8) "Person", an individual, partnership, corporation, or limited liability
25 company;**

26 **(9) "Use agreement", a contract executed by and between a video lottery game
27 operator and a video lottery game retailer, approved by the commission containing
28 minimum terms and conditions determined by the commission establishing the right of**

29 the video lottery game operator to place and operate video lottery game terminals on the
30 premises of a video lottery game retailer;

31 (10) "Video lottery game", any game approved by the commission for play on a
32 video lottery game terminal;

33 (11) "Video lottery game distributor", a person licensed by the commission who
34 distributes video lottery games, video lottery game terminals, redemption terminals,
35 ancillary equipment, or parts and components for video lottery gaming terminals
36 approved by the commission for sale to video lottery game distributors or video lottery
37 game operators;

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

41 (13) "Video lottery game manufacturer", a person licensed by the commission
42 who manufactures video lottery games, video lottery game terminals, redemption
43 terminals, ancillary equipment, or parts and components for video lottery game
44 terminals or video lottery games approved by the commission for sale to video lottery
45 game operators;

46 (14) "Video lottery game operator", a person licensed by the commission who
47 owns, rents, or leases video lottery games and video lottery game terminals for
48 placement and operation at the business premises of a licensed video lottery game
49 retailer;

50 (15) "Video lottery game redemption terminal" or "redemption terminal", the
51 collective hardware, software, and other ancillary equipment approved by the
52 commission used to redeem a video lottery game ticket for cash;

53 (16) "Video lottery game retailer", a person licensed by the commission to enter
54 into use agreements with video lottery game operators for the placement of video lottery
55 game terminals at the business premises of the licensed video lottery game retailer who
56 meets the requirements of a lottery game retailer under section 313.260. No person with
57 a primary purpose of providing entertainment, activities, or educational services to
58 anyone under the age of twenty-one shall be licensed as a video lottery game retailer;

59 (17) "Video lottery game terminal", any device that, through an electronic,
60 mechanical, or electromechanical process, including through the use of any application,
61 software, or other system that accepts legal tender, credits or tickets, or forms of digital
62 currency to play, and through which is used to generate a prize of money or form of
63 credit that can be redeemed for money or another form of monetary payment that is
64 presented to the player by a set or combination of alphanumeric symbols or lines of
65 symbols that determine the amount of the prize, regardless of the operating system that

66 determined the prize. Electronic gaming machines, with the exception of those operated
67 under section 313.800, shall be regulated by the commission. All other forms of
68 electronic gaming machines that are not regulated by the commission or bear the
69 commission's seal are not legal under the definition of a slot machine in section 572.010;

70 (18) "Video lottery game terminal credit", credits either purchased or won on a
71 video lottery game terminal that may be used to play video lottery games or be
72 converted into a video lottery game ticket;

73 (19) "Video lottery game ticket", a document printed or provided electronically
74 by a video lottery game terminal at the conclusion of any video lottery game play or
75 series of plays that may be redeemed for cash at a redemption terminal located on the
76 premises of the video lottery game retailer, or that may be reinserted into a video lottery
77 game terminal for video lottery game play on the premises of the video lottery game
78 retailer where such ticket was issued.

313.429. 1. (1) The commission shall implement a system of video lottery game
2 terminals and issue licenses to video lottery game manufacturers, video lottery game
3 distributors, video lottery game operators, video lottery game handlers, and video
4 lottery game retailers; provided, however, that:

5 (a) No person licensed as a video lottery game manufacturer or a video lottery
6 game distributor shall be issued a license as a video lottery game operator or video
7 lottery game retailer;

8 (b) No person licensed as a video lottery game operator shall be issued a license
9 as a video lottery game manufacturer, video lottery game distributor, or video lottery
10 game retailer;

11 (c) No person licensed as a video lottery game retailer shall be issued a license as
12 a video lottery game manufacturer, video lottery game distributor, or video lottery game
13 operator.

14 (2) Nothing in this subsection shall prevent a video lottery game manufacturer or
15 a video lottery gaming distributor from being licensed as both a video lottery game
16 manufacturer and a video lottery game distributor. Nothing in this subsection shall
17 prevent a video lottery game manufacturer or a video lottery game distributor from
18 contracting with the commission to provide or operate the central control system.

19 (3) The commission shall not authorize or allow a single video lottery game
20 manufacturer or video lottery game distributor as the sole or exclusive manufacturer or
21 distributor of video lottery game terminals, video lottery games, or redemption
22 terminals in Missouri.

23 (4) The commission shall ensure that the video lottery game system authorized
24 by sections 313.425 to 313.437 shall allow for multiple video lottery game

25 manufacturers, video lottery game distributors, video lottery game operators, and video
26 lottery game retailers to encourage private sector investment and job opportunities for
27 Missouri citizens.

28 2. Video lottery game terminals and video lottery games shall meet independent
29 testing standards approved by the commission, as tested by one or more licensed
30 independent test labs. The commission shall promulgate rules for minimum standards
31 for video lottery game terminals, video lottery games, and redemption terminals. Such
32 minimum standards shall include:

33 (1) Video lottery game terminals shall conform to all requirements of federal law
34 and regulations, including FCC Class A Emission Standards;

35 (2) Video lottery game terminals and video lottery games shall theoretically pay
36 out a mathematically demonstrable percentage during the expected lifetime of the
37 terminal of all amounts played, which shall not be less than eighty percent. The
38 commission shall establish a maximum payout percentage for approved models by rule.
39 Video lottery game terminals that may be affected by skill shall meet this standard when
40 using a method of play that will provide the greatest return to the player over a period
41 of continuous play;

42 (3) Video lottery game terminals shall use a random number generator
43 computer, software, or similar random selection process to generate and produce an
44 independent and random outcome of each play of a video lottery game. The random
45 selection process shall meet ninety-nine percent confidence limits using a standard chi-
46 squared test for goodness of fit;

47 (4) Video lottery game terminals shall display an accurate representation of the
48 video lottery game outcome;

49 (5) Video lottery game terminals shall not automatically alter pay tables or any
50 function of the video lottery game terminal based on internal computation of hold
51 percentage or have any means of manipulation that affects the random selection process
52 or probabilities of winning a game;

53 (6) Video lottery game terminals shall not be adversely affected by static
54 discharge or other electromagnetic interference;

55 (7) Video lottery game terminals shall, while in an idle state or on demand, be
56 capable of detecting and displaying "power reset", "door open", and "door just
57 closed";

58 (8) Video lottery game terminals shall have the capacity to display complete play
59 history including, but not limited to, outcome, intermediate play steps, credits available,
60 bets placed, credits paid, and credits cashed out, for the most recent game played and
61 ten games played immediately prior thereto;

62 (9) The theoretical payback percentage of a video lottery game terminal shall not
63 be capable of being changed without making a hardware or software change in the video
64 lottery game terminal, either on site or through the central control system;

65 (10) Video lottery game terminals shall be designed so that replacement of parts
66 or modules required for normal maintenance does not necessitate replacement of the
67 electromechanical meters;

68 (11) Video lottery game terminals shall have one or more mechanisms that
69 accept cash in the form of bills and accepting tickets. The mechanisms shall be designed
70 to prevent obtaining credits without paying by stringing, slamming, drilling, or other
71 means. If such attempts at physical tampering are made, the video lottery game
72 terminal shall suspend itself from operating until reset;

73 (12) Video lottery game terminals shall have accounting software that keeps an
74 electronic record of information including, but not limited to, total cash inserted, value
75 of winning tickets claimed by players, total credits played, total credits awarded by a
76 video lottery game terminal, and payback percentage credited to players of each video
77 lottery game;

78 (13) Video lottery game terminals shall be capable of issuing and accepting
79 tickets for play, commonly known as "ticket-in ticket-out". Video lottery game
80 terminals shall not directly dispense anything of value except for tickets representing
81 credits purchased or won on a video lottery game terminal. The ticket shall indicate the
82 total amount of award, the time of day in a twenty-four-hour format showing hours and
83 minutes, the date, the video lottery game terminal serial number, the sequential number
84 of the ticket, and an encrypted validation number from which the validity of the prize
85 may be determined;

86 (14) Video lottery game terminals and redemption terminals shall be connected
87 to the central control system approved by the commission. The commission shall
88 provide licensed video lottery game operators with the necessary protocols to connect
89 video lottery game terminals to the central control system after such video lottery game
90 terminals have been approved by the commission. No video lottery game terminal shall
91 be placed in operation without first connecting to the central control system and shall
92 remain connected to the central control system at all times a video lottery game terminal
93 is made available for play; and

94 (15) The commission shall adopt rules to identify the location, by municipality
95 and county, of each video lottery game terminal being operated in the state and
96 connected to the central control system. The commission shall adopt rules to maintain a
97 current list of such information, and shall provide said list to the department of revenue
98 to ensure accurate taxation and reporting.

99 **3. (1) The commission shall impose an initial nonrefundable administrative**
100 **license application fee that shall be submitted when the application is filed and deposited**
101 **in the state lottery fund as follows:**

102 **(a) For video lottery game manufacturers and video lottery game distributors,**
103 **twenty-five thousand dollars;**

104 **(b) For video lottery game operators, one hundred thousand dollars;**

105 **(c) For video lottery game retailer establishments, one thousand dollars for each**
106 **video lottery game retailer establishment; and**

107 **(d) For video lottery game handlers, one hundred dollars.**

108 **(2) The initial license shall be for a period of one year. Thereafter, renewals of**
109 **such license shall be for a period of four years. Subsequent to the initial one-year**
110 **period, anyone licensed pursuant to this subsection shall submit an annual**
111 **nonrefundable fee to be deposited in the state lottery fund. Such fee shall be paid as**
112 **follows:**

113 **(a) Five thousand dollars for video lottery game manufacturers and video lottery**
114 **game distributors;**

115 **(b) Fifty thousand dollars for video lottery game operators;**

116 **(c) One hundred dollars for video lottery game handlers; and**

117 **(d) One thousand dollars for each establishment owned and operated by a video**
118 **lottery game retailer.**

119 **(3) In addition to any other fees imposed by sections 313.425 to 313.445, an**
120 **annual nonrefundable administrative fee of one thousand dollars shall be paid to the**
121 **department for each video lottery game terminal placed in service, and shall be deemed**
122 **an administrative fee on the device itself and not on the operation or play thereof. Such**
123 **annual administrative fee shall be equally divided and paid by the video lottery game**
124 **operator and the video lottery game retailer to the department once per year. The**
125 **department shall remit two hundred dollars of the fee to the commission, which shall**
126 **deposit such fee in the state lottery fund. The remaining eight hundred dollars of such**
127 **fee shall be remitted to the illegal gaming enforcement fund, which the state treasurer**
128 **shall pay as follows:**

129 **(a) One hundred dollars shall be transmitted to the Missouri state highway**
130 **patrol for use in investigations and enforcement of sections 313.425 to 313.445;**

131 **(b) Fifty dollars shall be transmitted to the Missouri attorney general's office for**
132 **use in illegal gambling enforcement;**

133 **(c) Fifty dollars shall be transmitted to the Missouri prosecutors pension fund;**

134 **(d) Four hundred dollars shall be transmitted to the Missouri veterans**
135 **commission; and**

(e) Two hundred dollars shall be transmitted to the municipality in which the video lottery game terminal is located, except that if a video lottery game terminal is located in an unincorporated area of a county, the two hundred dollars shall be transmitted to the county in which the video lottery game terminal is located.

(4) No license shall be issued to any person who has been convicted of a felony or any crime involving illegal gambling.

(5) A licensee shall notify the commission of any change relating to the status of its license or any other information contained in the application materials on file with the commission.

4. Licensed video lottery game operators and licensed video lottery game retailers shall enter into a use agreement for the placement of video lottery game terminals. The video lottery game operator shall provide a true and accurate copy of the executed use agreement to the video lottery game retailer within ten days after execution of the use agreement by the parties. The use agreement shall be on a form approved by the commission. The use agreement shall contain commercially reasonable terms including, but not limited to, the following minimum requirements:

(1) An equal division of net terminal income between a video lottery game operator and video lottery game retailer;

(2) A requirement that the video lottery game operator is to be responsible for collection, remittance, and disbursement of gross gaming revenue, gross gaming revenue tax, and net terminal income;

(3) An affirmative statement that no inducement was offered, proposed, or accepted by either the video lottery game operator or the video lottery game retailer regarding the placement or operation of video lottery game terminals at the premises of the video lottery game retailer;

(4) An indemnity and hold harmless provision on behalf of the state, the commission, and its agents relative to any cause of action arising out of the use agreement between a video lottery game operator and a video lottery game retailer;

(5) A prohibition on the assignment of the agreement from or to any person except from a video lottery game operator to another video lottery game operator or from a video lottery game retailer to another video lottery game retailer, and providing that all use agreements shall be otherwise freely assignable;

(6) A release of the video lottery game retailer from any continuing contractual obligation to the video lottery game operator if the video lottery game operator has its license revoked or denied, has its renewal denied, or surrenders its license;

(7) A provision that the parties agree to modify the agreement to the extent necessary to comply with a change in Missouri law or commission rules;

173 **(8) A term not to exceed five years and shall not contain any automatic renewal**
174 **or extension of any such term; and**

175 **(9) Provisions approved by the commission.**

176 **5. No video lottery game retailer shall enter into a use agreement with more than**
177 **one video lottery game operator at any time. Only upon termination of a use agreement**
178 **with a video lottery game operator may a video lottery game retailer enter into a new**
179 **use agreement with a different video lottery game operator.**

180 **6. All licensees shall remain subject to all income taxes, sales taxes, and use taxes**
181 **lawfully assessed by this state, or any municipality, county, or other political subdivision**
182 **of this state; provided, however, that a municipality, county, or other political**
183 **subdivision of this state shall not impose, levy, collect, or assess any license**
184 **requirement, tax, or fee including, but not limited to, any permit tax or fee, sticker**
185 **fee, occupation tax or fee, amusement tax or fee, or taxes or fees upon the play, use,**
186 **ownership, lease, placement, operation, repair, service, transportation, or storage of any**
187 **video lottery game terminal, video lottery game, video lottery game manufacturer, video**
188 **lottery game distributor, video lottery game operator, or video lottery game retailer.**

189 **7. (1) Video lottery game terminals shall be inspected and approved by the**
190 **commission prior to being sold, leased, or transferred.**

191 **(2) Video lottery game manufacturers and video lottery game distributors may**
192 **buy, sell, or lease new or refurbished video lottery game terminals to and from video**
193 **lottery game manufacturers, video lottery game distributors, and video lottery game**
194 **operators.**

195 **(3) Redemption terminals shall meet independent testing standards approved by**
196 **the commission. The commission may approve redemption terminals that have been**
197 **approved by another state for operation for use as part of that state's video lottery game**
198 **system or similar system.**

199 **8. (1) Licensed video lottery game operators:**

200 **(a) May buy, lease, or rent video lottery game terminals from licensed video**
201 **lottery game manufacturers or distributors;**

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

203 **(c) Shall connect all video lottery game terminals to the central control system**
204 **approved by the commission.**

205 **(2) All video lottery game tickets shall be redeemed using a redemption terminal.**
206 **Such redemption terminal shall be located within a video lottery game retailer's**
207 **establishment in direct proximity to such video lottery game terminals. Video lottery**
208 **game operators shall pay the commission thirty-two percent of any unclaimed cash**

209 prize associated with each video lottery game ticket that has not been redeemed within
210 one hundred eighty days of issuance.

211 (3) A video lottery game operator shall not, directly or indirectly, lease real estate
212 to a video lottery game retailer. No lease of real property to a video lottery game retailer
213 may contain a provision requiring any sharing or splitting of net terminal income
214 between the lessor and the lessee, or any method of rent calculation using a percentage
215 of net terminal income, or any other similar provision or method for the determination
216 or calculation of any rent, concession, or other charge by a lessor to a lessee. Video
217 lottery game retailers shall submit true, accurate, and complete leases or similar
218 agreements regarding the premises of the video lottery game retailer to the commission
219 with their license application and annual license renewal application.

220 (4) Only a video lottery game operator or an operator's employee may negotiate
221 and enter into a use agreement with a video lottery game retailer for the initial or
222 continued placement of video lottery game terminals. Video lottery game operators and
223 video lottery game retailers shall not offer, propose, or accept anything of value, other
224 than the equal division of net terminal income in exchange for the execution of a use
225 agreement. No video lottery game operator or video lottery game retailer shall pay
226 compensation or any other valuable consideration to any third party for the solicitation,
227 procurement, execution, or delivery of any use agreement with a video lottery game
228 operator or video lottery game retailer, except as approved by the commission. A video
229 lottery game operator shall not share or split net terminal income with any other video
230 lottery game operator licensee under sections 313.425 to 313.445 or with any other
231 third-party, except as approved by the commission. The commission shall adopt rules
232 for the sharing or splitting of net terminal income by a video lottery game operator.

233 (5) Any agreement, contract, or arrangement for the initial or continued
234 placement of video lottery game terminals entered into by any person prior to being
235 duly licensed as a video lottery game operator or a video lottery game retailer by the
236 commission shall be invalid. Only use agreements by and between licensed video lottery
237 game operators and licensed video lottery game retailers shall be deemed valid for the
238 placement and operation of video lottery game terminals.

239 9. (1) To combat problem gambling, video lottery game operators shall allow
240 players to be self-excluded from video lottery game play pursuant to rules adopted by
241 the commission.

242 (2) Video lottery game operators may establish a player rewards systems
243 approved by the commission. No player shall be required to enroll in a rewards
244 program offered by a video lottery game operator as a condition to play video lottery
245 games.

246 **10. (1) Video lottery game terminals shall not directly dispense anything of value**
247 **except for video lottery game tickets. Tickets shall be dispensed by pressing the ticket**
248 **dispensing button on the video lottery game terminal at the end of any video lottery**
249 **game play or series of plays. The value of video lottery game terminal credits shall be**
250 **determined by the commission. Video lottery game operators shall not be required to**
251 **pay out coins for prizes to be paid to a player having a value less than one dollar, and**
252 **redemption terminals shall not be required to dispense coins. Any prize to be paid to a**
253 **player having a value less than one dollar shall be dispensed to the player from the**
254 **redemption terminal in the form of a ticket, which may be inserted into a video lottery**
255 **game terminal for play. The commission may adopt rules allowing redemption**
256 **terminals to allow a player to donate prizes to be paid to a player having a value of less**
257 **than one dollar to charitable organizations.**

258 **(2) The maximum wager for a single video lottery game shall not exceed four**
259 **dollars. The maximum prize won from a single wager for video lottery game play shall**
260 **be no more than one dollar less than the minimum amount required to report gambling**
261 **winnings from slot machines pursuant to IRS Form W2G and IRS Form 5754;**

262 **(3) No more than eight video lottery game terminals may be placed at the**
263 **business premises of a video lottery game retailer;**

264 **(4) The play, use, or operation of video lottery games and video lottery game**
265 **terminals shall not be advertised to the public through any means including, but not**
266 **limited to, media outlets, social media advertising, direct mail, broadcast media,**
267 **telephone solicitation, billboards, or other signage. The commission may adopt rules**
268 **allowing for limited signage to be displayed at a video lottery game retailer's premises.**
269 **The advertising prohibition contained in this subdivision shall apply to all licensees**
270 **including, but not limited to, video lottery game manufacturers, video lottery game**
271 **distributors, video lottery game operators, video lottery game retailers, and video**
272 **lottery game handlers. Notwithstanding any other provision of law to the contrary,**
273 **there is no prohibition or restriction on direct or indirect marketing or advertising of**
274 **video lottery games, video lottery game terminals, or redemption terminals by video**
275 **lottery game manufacturers, and video lottery game distributors to video lottery game**
276 **operators and video lottery game retailers. Video lottery game operators may advertise,**
277 **promote, and market to players of video lottery games and video lottery game terminals**
278 **through player rewards programs approved by the commission.**

279 **(5) Video lottery games shall not be played at any time when the video lottery**
280 **game retailer's establishment is closed for business.**

281 **11. (1) No person under twenty-one years of age shall play video lottery games**
282 **or video lottery game terminals. The video lottery game retailer shall be responsible for**

283 preventing persons under twenty-one years of age from playing video lottery games or
284 video lottery game terminals.

285 (2) Video lottery game operators shall install, maintain, and operate video
286 surveillance systems within the immediate area of the video lottery game retailer's
287 establishment where video lottery game terminals and redemption terminals are
288 located. The surveillance system may also cover the perimeter of the video lottery game
289 retailer's premises. The video lottery game operator shall maintain video footage for
290 thirty days and shall, upon request, provide such footage to the commission. Video
291 footage taken by the video surveillance system shall:

292 (a) Be deleted and expunged after the thirty day period described in this
293 subdivision; and

294 (b) Not make use of any facial recognition technology or software.

295 (3) The commission shall adopt rules regarding the investigation and
296 enforcement of violations of law, rule, or regulation governing the conduct of video
297 lottery games in conformance with established commission procedures, which may
298 include fines, suspension, and revocation of licenses issued by the commission.

299 (4) A video lottery game operator shall post a sign in a conspicuous location
300 where such video lottery game terminals are located containing, in red lettering at least
301 one-half inch high on a white background, a telephone contact number (1-888-
302 BETSOFF) for the problem gambling helpline, or other similar information as
303 determined by the commission. The commission may adopt rules for the mandatory
304 posting of signage regarding problem gaming, underage gaming, and other consumer
305 protection measures.

306 (5) Pursuant to rules adopted by the department and the commission, a video
307 lottery game operator shall be responsible for:

308 (a) Paying prizes won from video lottery game play to winning players;

309 (b) Collecting all funds from video lottery game terminals;

310 (c) Depositing all funds collected from video lottery game terminals into a
311 separate bank account maintained by the video lottery game operator to allow for
312 monthly electronic fund transfers by the commission and the department all applicable
313 adjusted gross gaming tax and municipality and county administration tax;

314 (d) After such transfer to the commission and the department, remitting to the
315 video lottery game retailer its share of net terminal income on not less than a monthly
316 basis. The video lottery game operator may thereafter transfer its share of net terminal
317 income to its business operations account; and

(e) The commission may adopt rules allowing for the division of net terminal income between the video lottery game operator and the video lottery game retailer on a basis other than an equal division of net terminal income.

(6) A video lottery game retailer or operator shall place a conspicuous warning label or sticker on each video lottery game terminal at each video lottery game retailer location in red lettering at least one-half inch high on white background that reads, "WARNING: GAMBLING CAN BE ADDICTIVE".

12. The adjusted gross gaming revenue tax shall be imposed on adjusted gross gaming revenue. Video lottery game operators shall collect and remit the adjusted gross gaming revenue tax, which shall be deposited in the state lottery fund pursuant to rules adopted by the commission. The commission shall use and transmit such funds as follows:

(1) The commission shall retain an amount from the adjusted gross gaming revenue tax necessary to cover direct administrative expenses for the regulation and enforcement of the video lottery game program that are not covered by license fees or reimbursements;

(2) Subject to appropriations, all remaining funds after administrative expenses and payment of prizes shall be transferred to the lottery proceeds fund and shall be appropriated equally to public elementary and secondary education and public institutions of higher education. Ten percent of such funds shall be appropriated to public institutions of higher education workforce development programs, and ten percent of such funds shall be appropriated for construction and rehabilitation of public elementary and secondary education facilities. The funding provided for in this subdivision shall supplement, and not supplant, any education funding otherwise appropriated by the general assembly.

13. The municipality and county administration tax shall be imposed on adjusted gross gaming revenue. Video lottery game operators shall remit the municipality and county administration tax to the department. The department shall distribute such funds to the municipality or county identified by the commission pursuant to subdivision (15) of subsection 2 of this section. The municipality or county shall receive the proceeds of the municipality and county administration tax generated by the video lottery game terminals located within the jurisdiction of the identified municipality or county to be used for providing services necessary for the safety of the public visiting a video lottery game retailer's location. All revenue owed to the municipality or county shall be deposited and distributed to the municipality or county in accordance with rules and regulations created by the department. All the funds deposited with any municipality or county shall not be considered state funds and shall

355 be deposited in the municipality or county's general revenue fund to be expended as
356 provided for in this section.

357 14. All revenues received by the commission from license fees and any
358 reimbursements associated with the administration of the provisions of sections 313.425
359 to 313.445, and all interest earned thereon, shall be used for administrative expenses and
360 shall be deposited in the state lottery fund. Moneys deposited into the state lottery fund
361 from license fees and any reimbursements of commission administrative expenses to
362 administer sections 313.425 to 313.445 shall not be considered net proceeds under
363 Article III, Section 39(b) of the Constitution of Missouri. Subject to appropriation, up
364 to one percent of such license fees shall be deposited to the credit of the compulsive
365 gamblers fund created under section 313.842.

366 15. The commission may contract with a state law enforcement entity to assist in
367 conducting background investigations of video lottery game license applicants, and for
368 the enforcement of sections 313.425 to 313.445.

369 16. The commission shall adopt rules for the implementation of the video lottery
370 game system authorized under sections 313.425 to 313.445, including, but not limited to,
371 a designation of a distinct, designated area within a video lottery game retailer's
372 premises as the video lottery gaming area that is divided from the primary business
373 operation area of the video lottery game retailer's premises where all video lottery game
374 terminals and redemption terminals shall be placed and operated and all gaming
375 activity shall be conducted. Any rule or portion of a rule, as that term is defined in
376 section 536.010, that is created under the authority delegated in this section shall
377 become effective only if it complies with and is subject to all of the provisions of chapter
378 536 and, if applicable, section 536.028. This section and chapter 536 are nonseverable
379 and if any of the powers vested with the general assembly pursuant to chapter 536 to
380 review, to delay the effective date, or to disapprove and annul a rule are subsequently
381 held unconstitutional, then the grant of rulemaking authority and any rule proposed or
382 adopted after August 28, 2026, shall be invalid and void.

 313.431. In order to expedite the orderly implementation of the video lottery
2 game system authorized under sections 313.425 to 313.445, the commission shall:

3 (1) Contract for the supply and operation of a central control system no later
4 than ninety days after the effective date of sections 313.425 to 313.445;

5 (2) Make license applications for video lottery game manufacturers, video
6 lottery game distributors, video lottery game operators, video lottery game retailers,
7 and video lottery game handlers available to applicants no later than thirty days after
8 the effective date of sections 313.425 to 313.445;

9 (3) Accept applications and promulgate any emergency rules or regular rules
10 and regulations needed for the implementation of the video lottery game system
11 authorized under sections 313.425 to 313.445 no later than one hundred twenty days
12 after the effective date of sections 313.425 to 313.445;

13 (4) Begin issuing licenses under sections 313.425 to 313.445 no later than one
14 hundred twenty days after the effective date of this section;

15 (5) Issue an approved form use agreement no later than ninety days after the
16 effective date of sections 313.425 to 313.445;

17 (6) Establish a start date when all video lottery game operators may begin
18 soliciting use agreements with video lottery game retailers for the placement of video
19 lottery game terminals. No video lottery game operator shall solicit use agreements
20 prior to the start date. Such start date shall be set no more than one hundred eighty
21 days after the effective date of sections 313.425 to 313.445;

22 (7) Approve or deny any completed video lottery game retailer application or
23 video lottery game operator application no more than ninety days after such application
24 is received by the commission. The operation of unregulated amusement devices or
25 unregulated gambling devices shall not be the sole cause for denial of a video lottery
26 game retailer license or a video lottery game operator license; and

27 (8) Establish a date by which the system of video lottery game terminals shall be
28 operational. The operational date shall be no later than three hundred sixty five days
29 after the effective date of sections 313.425 to 313.445.

 313.433. Notwithstanding any other provision of law to the contrary,
2 participation by a person, firm, corporation, or organization in any aspect of the
3 state lottery under sections 313.425 to 313.445 shall not be construed to be a lottery or
4 gift enterprise in violation of Article III, Section 39 of the Constitution of Missouri.

 313.435. 1. A municipality may adopt an ordinance prohibiting video lottery
2 game terminals within the corporate limits of such municipality within ninety days after
3 the effective date of this act. Such municipality shall notify the commission of the
4 ordinance within seven days of passage. A municipality that has adopted such an
5 ordinance may at any time thereafter adopt an ordinance allowing video lottery game
6 terminals within the corporate limits of such municipality, but may not after the passage
7 of such ordinance adopt any ordinance prohibiting video lottery game terminals within
8 the corporate limits of such municipality.

9 2. A county commission may, for the unincorporated area of the county, adopt
10 an ordinance prohibiting video lottery game terminals within the unincorporated area
11 of the county within ninety days from the effective date of this act. Such county shall
12 notify the commission of the ordinance within seven days of passage. A county

13 commission that has adopted such an ordinance may at any time thereafter adopt an
14 ordinance allowing video lottery game terminals within the unincorporated area of the
15 county, but may not after the passage of such ordinance adopt any ordinance
16 prohibiting video lottery game terminals within the unincorporated area of the county.

17 3. Any municipality or county adopting an ordinance that prohibits the licensing
18 of video lottery games shall notify the commission of such action and provide a certified
19 copy of such ordinance to the commission. Upon receiving such notification and
20 ordinance, the commission shall not license video lottery game retailers within such area
21 covered by such municipal or county ordinance.

22 4. If any such municipality or county that has opted to prohibit the use of video
23 lottery game terminals to play video lottery games repeals such ordinance and adopts an
24 ordinance allowing video lottery game terminals within such municipality or county,
25 then such municipality or county shall notify the commission, and the commission may
26 license video lottery game retailers within such municipality or county to conduct video
27 lottery games.

 313.437. 1. Nothing in sections 313.425 to 313.445 shall be construed to prohibit
2 or bar the issuance of any license described therein to an applicant on the basis of that
3 applicant's operation, handling, leasing, licensing, servicing, or placing of machines or
4 devices used for amusement purposes, except that any video lottery game retailer shall
5 attest, on a form provided by the commission, that the video lottery game retailer does
6 not own or possess any illegal gambling devices, or other machines or devices where the
7 player pays money to play a game of skill or chance which may result in a cash award or
8 prize to the player. This form shall be submitted with a person's application for any
9 license authorized under sections 313.425 to 313.445.

10 2. The general assembly, by enacting sections 313.425 to 313.445, intends to
11 enact a comprehensive scheme of statewide regulation, and further intends to preempt
12 any other regulation of the area covered by sections 313.425 to 313.445. No
13 municipality, county, governmental subdivision, or agency may enact or enforce any
14 law, ordinance, or regulation that regulates, taxes, imposes a fee, or makes any conduct
15 in the area covered by sections 313.425 to 313.445 an offense, or the subject of a criminal
16 or civil penalty or sanction of any kind.

 313.438. 1. The application form for licensure under sections 313.425 to 313.445
2 shall be prescribed by the commission and shall contain the following information:

3 (1) The name, date of birth, and address of the individual or organization;

4 (2) A statement as to whether the individual or organization has had any
5 previous application refused, or any license revoked or suspended;

6 **(3) A copy of the articles of incorporation and certificate of incorporation of the**
7 **organization, if applicable;**

8 **(4) A sworn statement signed by the individual or chief officer and the secretary**
9 **of the organization verifying that the statements contained in the application are true;**

10 **(5) The name and address of a person authorized to receive service of process on**
11 **behalf of the organization; and**

12 **(6) Such other information deemed necessary by the commission or as the**
13 **commission may promulgate by regulation.**

14 **2. The commission shall issue, suspend, revoke, and renew licenses under**
15 **sections 313.425 to 313.445 pursuant to rules and regulations adopted by the**
16 **commission. Licensing rules and regulations shall include requirements relating to**
17 **the financial responsibility of the licensee, the accessibility of the licensee's place of**
18 **business or activity to the public, the sufficiency of existing licenses to serve the public**
19 **interest, the volume of expected sales, the security and efficient operation of the video**
20 **lottery game, and other matters necessary to protect the public interest and trust in the**
21 **lottery. Licensees shall be selected without regard to political affiliation.**

22 **3. The commission shall require every licensee to post a bond, a bonding fee, or a**
23 **letter of credit in such amount as may be required by the commission, and upon**
24 **licensure shall prominently display the licensee's license, or a copy thereof, as provided**
25 **in the rules and regulations of the commission.**

26 **4. Any license issued by the commission shall not be assignable or transferable.**

27 **5. A license shall be revoked upon a finding that the licensee:**

28 **(1) Has knowingly provided false or misleading information to the commission**
29 **or its employees;**

30 **(2) Has been convicted of any felony; or**

31 **(3) Has endangered the security of the lottery.**

32 **6. A license may be suspended, revoked, or not renewed for any of the following**
33 **causes:**

34 **(1) A change of business location;**

35 **(2) An insufficient sales volume;**

36 **(3) A delinquency in remitting money owed to the commission; or**

37 **(4) Any violation of any rule or regulation adopted pursuant to this section by**
38 **the commission.**

39 **7. A person who knowingly makes a false statement on an application is guilty of**
40 **a class A misdemeanor and shall not be eligible for any license by the commission.**

41 **8. A renewal application shall only include any changes in the information**
42 **required to be submitted with the initial application or such other information required**
43 **by the commission.**

44 **(1) A blank form for application for registration shall be mailed to each person**
45 **licensed in this state at the person's last known office or residence address. Failure to**
46 **receive such application shall not, however, relieve any person of the duty to renew and**
47 **pay the required fee, nor exempt the person from the penalties provided by this chapter**
48 **for failure to renew.**

49 **(2) If a person licensed, certified, or registered by the commission does not renew**
50 **such license, such license shall be deemed void.**

51 **9. The commission shall submit fingerprints for any person seeking issuance or**
52 **renewal of a license issued by the commission, for the purpose of checking the person's**
53 **prior criminal history when the commission determines a nationwide check is**
54 **warranted. The fingerprint cards and any required fees shall be sent to the Missouri**
55 **state highway patrol's central repository. The fingerprints shall be used for searching**
56 **the state criminal history repository and shall also be forwarded to the Federal Bureau**
57 **of Investigation for the searching of the federal criminal history files under section**
58 **43.540. The patrol shall notify the commission of any criminal history information or**
59 **lack of criminal history information discovered on the individual. Notwithstanding the**
60 **provisions of section 610.120 to the contrary, all records related to any criminal history**
61 **information discovered shall be accessible and available to the commission.**

62 **10. It is the burden of the applicant to show by clear and convincing evidence the**
63 **applicant's suitability as to character, experience, and other factors as may be deemed**
64 **appropriate by the commission.**

65 **11. Before a license is granted, the commission shall conduct a thorough**
66 **investigation of the applicant for a license. The applicant shall provide information on a**
67 **form as required by the commission.**

68 **12. Any organization licensed under sections 313.425 to 313.445 that changes any**
69 **of its officers, directors, or officials during the term of the license shall immediately**
70 **report the names and addresses of such individuals to the commission, along with a**
71 **sworn statement of each such individual as required on forms furnished by the**
72 **commission.**

73 **13. The following persons and organizations shall not be eligible for any license**
74 **under the provisions of sections 313.425 to 313.445 and shall not participate in the**
75 **management, conduct, or operation of any video lottery game, video lottery game**
76 **handler, video lottery game distributor, or video lottery game manufacturer:**

77 **(1) Any person who has been convicted of a felony;**

78 (2) Any person who has been convicted of or pleaded nolo contendere to any
79 illegal gambling activity or forfeited bond for not appearing while charged with any
80 illegal gambling activity;

81 (3) Any person the commission has determined, based on the person's prior
82 activities or criminal record, if any, poses a threat to the public interest or to the
83 effective regulation and control of video lottery games, or creates or enhances the
84 dangers of unsuitable, unfair, or illegal practices, methods, or activities in the conduct of
85 video lottery games;

86 (4) Any firm, organization, or corporation in which a person defined in
87 subdivision (3) of this subsection is an officer, director, or employee, whether
88 compensated or not;

89 (5) Any firm, organization, or corporation in which a person defined in
90 subdivision (3) of this subsection is to participate in the management or operations of a
91 video lottery game, video lottery game handler, video lottery game distributor, video
92 lottery game manufacturer, or video lottery game retailer;

93 (6) Any person who, at the time of the application for renewal of a license, would
94 not be eligible for such license upon first application.

 313.439. 1. A licensee shall be subject to the imposition of penalties, suspension
2 or revocation of such license, or other action for any act or failure to act by the licensee
3 or the licensee's agents or employees, that is injurious to the public health, safety, good
4 order, and general welfare of the people of the state of Missouri, or that would discredit
5 or tend to discredit the video lottery operations in the state of Missouri unless the
6 licensee proves by clear and convincing evidence that the licensee is not guilty of such
7 action. The commission may refuse to issue a license. The commission shall notify the
8 applicant or licensee in writing of the reasons for the refusal or discipline, and shall
9 advise the applicant or licensee of their right to file a complaint with the administrative
10 hearing commission as provided by chapter 621. If no written request for a hearing is
11 received by the administrative hearing commission within the thirty-day period, the
12 right to seek review of the commission's decision shall be considered as waived. The
13 commission shall take appropriate action against any applicant or licensee who violates
14 the law or the rules and regulations of the commission. Without limiting other
15 provisions of sections 313.425 to 313.445, the following acts or omissions may be grounds
16 for such discipline:

17 (1) Failing to comply with or make provision for compliance with the provisions
18 of sections 313.425 to 313.445, the rules and regulations of the commission, or any
19 federal, state, or local law or regulation;

20 (2) Failing to comply with any rule, order, or ruling of the commission or its
21 agents pertaining to sections 313.425 to 313.445;

22 (3) Receiving or purchasing goods or services from a person or business entity
23 who does not hold a license issued pursuant to sections 313.425 to 313.445, but who is
24 required to hold such license by the provisions of sections 313.425 to 313.445 or the rules
25 and regulations of the commission;

26 (4) Associating with, either socially or in business affairs, or employing persons
27 of notorious or unsavory reputation or who have extensive police records, or who have
28 failed to cooperate with any officially constituted investigatory or administrative body
29 and would adversely affect public confidence and trust in gaming;

30 (5) Use of fraud, deception, misrepresentation, or bribery in securing any license
31 issued pursuant to the provisions of sections 313.425 to 313.445 or impersonation of any
32 person holding a license or allowing a person to use the person's license;

33 (6) Obtaining or attempting to obtain any fee, charge, or other compensation by
34 fraud, deception, or misrepresentation;

35 (7) Incompetence, misconduct, gross negligence, fraud, misrepresentation, or
36 dishonesty in the performance of the functions or duties regulated by the provisions of
37 sections 313.425 to 313.445;

38 (8) Revocation, suspension, restriction, modification, limitation, reprimand,
39 warning, censure, probation, or other final disciplinary action against the licensee or
40 applicant for a license by another state, territory, federal agency, or country, whether or
41 not voluntarily agreed to by the licensee or applicant, including, but not limited to, the
42 denial of licensure, surrender of the license, or allowing the license to expire or lapse;

43 (9) A person is finally adjudged incapacitated or disabled by a court of
44 competent jurisdiction;

45 (10) Issuance of a license based upon a material mistake of fact;

46 (11) Knowingly making a false statement, orally or in writing, to the
47 commission;

48 2. The commission may cause a complaint to be filed with the administrative
49 hearing commission as provided by chapter 621 against any applicant or holder of any
50 license required by sections 313.425 to 313.445, or against any person who has failed to
51 renew or has surrendered the person's license.

52 3. After the filing of such complaint before the administrative hearing
53 commission, the proceedings shall be conducted in accordance with the provisions of
54 chapter 621. Upon a finding by the administrative hearing commission that the grounds
55 of this section for disciplinary action are met, the commission may, singly or in
56 combination, warn, censure, or place the person named in the complaint on probation

57 on such terms and conditions as the commission deems appropriate for a period not to
58 exceed ten years, or may suspend the person's license for a period not to exceed three
59 years, or restrict or limit the person's license for an indefinite period of time, or revoke
60 the person's license or administer a public or private reprimand, or deny the person's
61 application for a license, or permanently withhold issuance of a license.

313.440. The administration of sections 313.425 to 313.445 shall be vested in the
2 commission which shall have power to adopt and enforce rules and regulations to
3 regulate and license the management, operation, and conduct of video lottery games and
4 participants therein and to properly administer and enforce the provisions of sections
5 313.425 to 313.445. Any rule or portion of a rule, as that term is defined in section
6 536.010, that is created under the authority delegated in this section shall become
7 effective only if it complies with and is subject to all of the provisions of chapter 536 and,
8 if applicable, section 536.028. This section and chapter 536 are nonseverable and if any
9 of the powers vested with the general assembly pursuant to chapter 536 to review, to
10 delay the effective date, or to disapprove and annul a rule are subsequently held
11 unconstitutional, then the grant of rulemaking authority and any rule proposed or
12 adopted after August 28, 2026, shall be invalid and void.

313.441. The commission shall employ such professional, clerical, technical, and
2 administrative personnel as may be necessary to carry out the provisions of sections
3 313.425 to 313.445. No person shall be employed by the lottery who has been convicted
4 of a felony. Any person employed by the lottery in a management or policy-making
5 position shall be a resident of this state or become a Missouri resident within six months
6 of the person's appointment. Personnel shall be employed without regard to any
7 political affiliation. Personnel shall receive a salary comparable to the salaries received
8 by other state employees doing comparable duties.

313.442. 1. The commission may administer oaths, subpoena witnesses, issue
2 subpoenas duces tecum, and require production of documents and records. Subpoenas,
3 including subpoenas duces tecum, shall be served by a person authorized to serve
4 subpoenas of courts of record. In lieu of requiring attendance of a person to produce
5 original documents in response to a subpoena duces tecum, the commission may require
6 sworn copies of such documents to be filed with it or delivered to its designated
7 representative.

8 2. The commission may enforce its subpoenas, including subpoena duces tecum,
9 by applying to a circuit court of Cole County, the county of the investigation, hearing or
10 proceeding, or any county where the person resides or may be found, for an order upon
11 any person who shall fail to obey a subpoena to show cause why such subpoena should
12 not be enforced, which such order and a copy of the application therefore shall be served

13 upon the person in the same manner as a summons in a civil action, and if the circuit
14 court shall, after a hearing, determine that the subpoena should be sustained and
15 enforced, such court shall proceed to enforce the subpoena in the same manner as
16 though the subpoena had been issued in a civil case in the circuit court.

313.443. Upon application by the commission, and the necessary burden having
2 been met, a court of general jurisdiction may grant an injunction, restraining order, or
3 other order as may be appropriate to enjoin a person from offering to engage or
4 engaging in the performance of any acts or practices for which a license is required by
5 sections 313.425 to 313.445 upon a showing that such acts or practices were performed
6 or offered to be performed without a license. Any such action shall be commenced
7 either in the county in which such conduct occurred or in the county in which the
8 defendant resides. Any action brought under this section shall be in addition to and not
9 in lieu of any penalty provided by sections 313.425 to 313.445 and may be brought
10 concurrently with other actions to enforce the provisions of sections 313.425 to 313.445.

313.444. Upon receiving information that any provision of sections 313.425 to
2 313.445 has been or is being violated, the commission or other person designated by the
3 commission shall investigate, and upon probable cause appearing, the commission shall
4 file a complaint with the administrative hearing commission or appropriate official or
5 court.

313.445. The provisions of sections 313.425 to 313.445 are severable. If any
2 provision of sections 313.425 to 313.445 is found by a court of competent jurisdiction to
3 be unconstitutional, the remaining provisions are valid except to the extent that the
4 court finds that the valid provisions, standing alone, are incomplete and are incapable of
5 being executed in accordance with the legislative intent. The provisions of this section
6 shall be operative notwithstanding the provisions of section 1.140 to the contrary.

313.820. 1. An excursion boat licensee shall pay to the commission an admission fee
2 of ~~two~~ **four** dollars for each person embarking on an excursion gambling boat with a ticket
3 of admission. One dollar of such fee shall be deposited to the credit of the gaming
4 commission fund as authorized pursuant to section 313.835, **two dollars of such fee shall be**
5 **transferred to the Missouri veterans commission as established under section 42.007,**
6 and one dollar of such fee shall not be considered state funds and shall be paid to the home
7 dock city or county. Subject to appropriation, one cent of such fee deposited to the credit of
8 the gaming commission fund may be deposited to the credit of the compulsive gamblers fund
9 created pursuant to the provisions of section 313.842. Nothing in this section shall preclude
10 any licensee from charging any amount deemed necessary for a ticket of admission to any
11 person embarking on an excursion gambling boat. If tickets are issued which are good for
12 more than one excursion, the admission fee shall be paid to the commission for each person

13 using the ticket on each excursion that the ticket is used. If free passes or complimentary
14 admission tickets are issued, the excursion boat licensee shall pay to the commission the same
15 fee upon these passes or complimentary tickets as if they were sold at the regular and usual
16 admission rate; however, the excursion boat licensee may issue fee-free passes to actual and
17 necessary officials and employees of the licensee or other persons actually working on the
18 excursion gambling boat. The issuance of fee-free passes is subject to the rules of the
19 commission, and a list of all persons to whom the fee-free passes are issued shall be filed with
20 the commission.

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

572.010. 1. As used in this chapter the following terms mean:

2 (1) "Advance gambling activity", a person advances gambling activity if, acting other
3 than as a player, he or she engages in conduct that materially aids any form of gambling
4 activity. Conduct of this nature includes but is not limited to conduct directed toward the
5 creation or establishment of the particular game, lottery, contest, scheme, **gambling**, device or
6 activity involved, toward the acquisition or maintenance of premises, paraphernalia,
7 equipment or apparatus therefor, toward the solicitation or inducement of persons to
8 participate therein, toward the actual conduct of the playing phases thereof, toward the
9 arrangement or communication of any of its financial or recording phases, or toward any
10 other phase of its operation. A person advances gambling activity if, having substantial
11 proprietary control or other authoritative control over premises being used with his or her
12 knowledge for purposes of gambling activity, he or she permits that activity to occur or
13 continue or makes no effort to prevent its occurrence or continuation. The supplying,
14 servicing and operation of a licensed excursion gambling boat under sections 313.800 to
15 313.840 does not constitute advancing gambling activity. **The owning, operating,**
16 **supplying, or servicing of video lottery game terminals under sections 313.425 to**
17 **313.437 does not constitute advancing gambling activity;**

18 (2) "Bookmaking", advancing gambling activity by unlawfully accepting bets from
19 members of the public as a business, rather than in a casual or personal fashion, upon the
20 outcomes of future contingent events;

21 (3) "Contest of chance", any contest, game, gaming scheme, or ~~[gaming]~~ **gambling**
22 device in which the outcome ~~[depends in a material degree upon an]~~ **of the contest is**
23 **determined by any** element of chance, notwithstanding that the skill of the contestants may
24 also be a factor therein;

25 (4) "Gambling", a person engages in gambling when:

26 (5) He or she **operates, plays, or participates in the operation of a gambling**
27 **device; or**

28 (6) **He or she** stakes or risks something of value upon the outcome of a contest of
29 chance or a future contingent event not under his or her control or influence, upon an
30 agreement or understanding that he or she will receive something of value in the event of a
31 certain outcome. Gambling does not include bona fide business transactions valid under the
32 law of contracts, including but not limited to contracts for the purchase or sale at a future date
33 of securities or commodities, and agreements to compensate for loss caused by the happening
34 of chance, including but not limited to contracts of indemnity or guaranty and life, health or
35 accident insurance; nor does gambling include playing an amusement device that confers only
36 an immediate right of replay not exchangeable for something of value. Gambling does not
37 include any licensed activity, or persons participating in such games which are covered by
38 sections 313.800 to 313.840. **Gambling does not include any licensed activity or persons**
39 **participating in such licensed activity, licensed video lottery game terminals, or video**
40 **lottery games under sections 313.425 to 313.437;**

41 ~~[(5)] (7) ["Gambling device", any device, machine, paraphernalia or equipment that is~~
42 ~~used or usable in the playing phases of any gambling activity, whether that activity consists of~~
43 ~~gambling between persons or gambling by a person with a machine. However, lottery tickets,~~
44 ~~policy slips and other items used in the playing phases of lottery and policy schemes are not~~
45 ~~gambling devices within this definition;~~

46 ~~(6)]~~ "Gambling record", any article, instrument, record, receipt, ticket, certificate,
47 token, slip or notation used or intended to be used in connection with unlawful gambling
48 activity;

49 ~~[(7)]~~ (8) "Lottery" or "policy", an unlawful gambling scheme in which for a
50 consideration the participants are given an opportunity to win something of value, the award
51 of which is determined by chance;

52 ~~[(8)]~~ (9) "Player", a person who engages in any form of gambling solely as a
53 contestant or bettor, without receiving or becoming entitled to receive any profit therefrom
54 other than personal gambling winnings, and without otherwise rendering any material

55 assistance to the establishment, conduct or operation of the particular gambling activity. A
56 person who gambles at a social game of chance on equal terms with the other participants
57 therein does not otherwise render material assistance to the establishment, conduct or
58 operation thereof by performing, without fee or remuneration, acts directed toward the
59 arrangement or facilitation of the game, such as inviting persons to play, permitting the use of
60 premises therefor and supplying cards or other equipment used therein. A person who
61 engages in "bookmaking" as defined in subdivision (2) of this section is not a player;

62 ~~[(9)]~~ **(10)** "Professional player", a player who engages in gambling for a livelihood or
63 who has derived at least twenty percent of his or her income in any one year within the past
64 five years from acting solely as a player;

65 ~~[(10)]~~ **(11)** "Profit from gambling activity", a person profits from gambling activity if,
66 other than as a player, he or she accepts or receives money or other property pursuant to an
67 agreement or understanding with any person whereby he participates or is to participate in the
68 proceeds of gambling activity;

69 ~~[(11)]~~ **(12)** "Slot machine"~~["a gambling device that as a result of the insertion of a~~
70 ~~coin or other object operates, either completely automatically or with the aid of some physical~~
71 ~~act by the player, in such a manner that, depending upon elements of chance, it may eject~~
72 ~~something of value. A device so constructed or readily adaptable or convertible to such use is~~
73 ~~no less a slot machine because it is not in working order or because some mechanical act of~~
74 ~~manipulation or repair is required to accomplish its adaptation, conversion or workability.~~
75 ~~Nor is it any less a slot machine because apart from its use or adaptability as such it may also~~
76 ~~sell or deliver something of value on a basis other than chance]~~ or "gambling device", an
77 electronic, computerized, or mechanical machine, terminal, or other similar device that:

78 **(13)** Requires the direct or indirect insertion of any form of consideration, coin,
79 currency, ticket, token, electronic token or currency, or other similar object, or the
80 depositing of any form of consideration with the owner or operator of such slot machine
81 or gambling device to operate the device;

82 **(14)** Offers, operates, or plays a contest or game, either completely automatically
83 or with the aid of some physical act by the player, the outcome of which is determined by
84 any element of chance, regardless of whether the outcome may also be partially or
85 predominantly determined by the skill of the player, and regardless of whether the
86 outcome may be partially or completely revealed to the player before or during play of
87 the slot machine or gambling device; and

88 **(15)** May award to the player an award, prize, or something of value, whether or
89 not the award is made directly or indirectly, and whether or not the award is made
90 automatically from the gambling device or manually.

92 A device so constructed or readily adaptable or convertible to such use is no less a slot
93 machine or gambling device because it is not in working order or because some
94 mechanical act of manipulation or repair is required to accomplish its adaptation,
95 conversion, or workability, nor is it any less a slot machine or gambling device because
96 apart from its use or adaptability as such it may also sell or deliver something of value
97 on a basis other than chance;

98 ~~[(12)]~~ (16) "Something of value", any money or property, any token, object or article
99 exchangeable for money or property, or any form of credit or promise directly or indirectly
100 contemplating transfer of money or property or of any interest therein or involving extension
101 of a service, entertainment or a privilege of playing at a game or scheme without charge;

102 ~~[(13)]~~ (17) "Unlawful", not specifically authorized by law.

103 2. Notwithstanding the provisions of section 1.140 to the contrary, the provisions
104 of this section and sections 313.425 to 313.445 shall be nonseverable, and if any
105 provision is for any reason held to be invalid, such decision shall invalidate all of the
106 remaining provisions of this section and sections 313.425 and 313.445, as amended by
107 this act.

108 3. The provisions of this section shall not be enforceable:

109 (1) Before August 28, 2027; or

110 (2) During the pendency of any litigation concerning sections 313.425 to 313.445,
111 if such litigation is initiated in a court of competent jurisdiction before August 28, 2027.

572.020. 1. A person commits the offense of gambling if he or she knowingly
2 engages in gambling.

3 2. The offense of gambling is a class ~~C misdemeanor unless:~~

4 ~~(1) It is committed by a professional player, in which case it is a class A~~
5 ~~misdemeanor; or~~

6 ~~(2) The person knowingly engages in gambling with a child less than seventeen years~~
7 ~~of age, in which case it is a class B misdemeanor]~~ E felony.

8 3. Notwithstanding the provisions of section 1.140 to the contrary, the provisions
9 of this section and sections 313.425 to 313.445 shall be nonseverable, and if any
10 provision is for any reason held to be invalid, such decision shall invalidate all of the
11 remaining provisions of this section and sections 313.425 and 313.445, as amended by
12 this act.

13 4. The provisions of this section shall not be enforceable:

14 (1) Before August 28, 2027; or

15 (2) During the pendency of any litigation concerning sections 313.425 to 313.445,
16 if such litigation is initiated in a court of competent jurisdiction before August 28, 2027.

572.070. 1. A person commits the offense of possession of a gambling device if, with knowledge of the character thereof, he or she manufactures, sells, transports, places or possesses, or conducts or negotiates any transaction affecting or designed to affect ownership, custody or use of:

(1) A slot machine **or gambling device**; or

(2) Any other gambling device, knowing or having reason to believe that it is to be used in the state of Missouri in the advancement of unlawful gambling activity.

2. The offense of possession of a gambling device is a class A misdemeanor.

3. Notwithstanding the provisions of section 1.140 to the contrary, the provisions of this section and sections 313.425 to 313.445 shall be nonseverable, and if any provision is for any reason held to be invalid, such decision shall invalidate all of the remaining provisions of this section and sections 313.425 and 313.445, as amended by this act.

4. The provisions of this section shall not be enforceable:

(1) Before August 28, 2027; or

(2) During the pendency of any litigation concerning sections 313.425 to 313.445, if such litigation is initiated in a court of competent jurisdiction before August 28, 2027.

572.100. 1. The general assembly by enacting this chapter intends to preempt any other regulation of the area covered by this chapter. No governmental subdivision or agency may enact or enforce a law that regulates or makes any conduct in the area covered by this chapter an offense, or the subject of a criminal or civil penalty or sanction of any kind.

2. The term "gambling", as used in this chapter, does not include licensed activities under sections 313.800 to 313.840, **and does not include licensed activities under sections 313.425 to 313.437.**

3. The Missouri lottery commission shall have concurrent authority and jurisdiction to investigate and enforce violations of chapter 572, and to seek prosecution of violations of chapter 572 by the attorney general pursuant to section 27.105.

4. Notwithstanding the provisions of section 1.140 to the contrary, the provisions of this section and sections 313.425 to 313.445 shall be nonseverable, and if any provision is for any reason held to be invalid, such decision shall invalidate all of the remaining provisions of this section and sections 313.425 and 313.445, as amended by this act.

5. The provisions of this section shall not be enforceable:

(1) Before August 28, 2027; or

(2) During the pendency of any litigation concerning sections 313.425 to 313.445, if such litigation is initiated in a court of competent jurisdiction before August 28, 2027.

650.930. 1. There is hereby established within the department of public safety the "Missouri Gaming Bureau". The Missouri gaming commission and the Missouri lottery commission may contract with the Missouri gaming bureau for assistance in criminal and regulatory investigations involving individuals, companies, and suppliers who are applying for licensure or who are conducting any activities under sections 313.800 to 313.850 or operations relating to video lottery games.

2. The director of the gaming bureau shall be a uniformed member of the Missouri state highway patrol who shall be appointed by the superintendent of the state highway patrol. The director shall be responsible for the administrative operations of the gaming bureau and shall perform such other duties as may be delegated or assigned to the director by the department of public safety. Members of the state highway patrol, pursuant to a memorandum of understanding with the state highway patrol, may provide services to the gaming bureau. The director may employ additional members to serve in the gaming bureau, provided that such persons are licensed peace officers under chapter 590 and have a minimum of six hundred hours of law enforcement training.

3. Members of the gaming bureau shall have full power and authority as are now or hereafter vested by law in peace officers when working with the bureau, which shall include the power to enforce the rules of the gaming commission with respect to the gaming and lottery industry and the power to investigate violations occurring on the gaming floor and premises of excursion gambling boats licensed under sections 313.800 to 313.850, violations by licensees of the lottery commission, and violations of chapter 572.

4. Members of the gaming bureau shall be paid from funds designated as administrative within the state lottery fund established under section 313.321 that were generated from revenues received by the Missouri lottery commission from the sale of Missouri lottery tickets and from license fees and reimbursements associated with the regulation and operation of video lottery games in the state and from funds designated as administrative within the gaming commission fund established under section 313.835 that were generated from revenues received by the Missouri gaming commission from license fees and reimbursements associated with the regulation and operation of excursion gambling boats in the state.

5. The director of the department of public safety may promulgate all necessary rules and regulations for the administration of this section. 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

38 **chapter 536 are nonseverable and if any of the powers vested with the general assembly**
39 **pursuant to chapter 536 to review, to delay the effective date, or to disapprove and annul**
40 **a rule are subsequently held unconstitutional, then the grant of rulemaking authority**
41 **and any rule proposed or adopted after August 28, 2026, shall be invalid and void.**

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