

SECOND REGULAR SESSION
HOUSE COMMITTEE SUBSTITUTE FOR
HOUSE BILL NO. 3533
103RD GENERAL ASSEMBLY

7481H.02C

JOSEPH ENGLER, Chief Clerk

AN ACT

To repeal sections 313.805, 313.820, and 313.835, RSMo, and to enact in lieu thereof four new sections relating to the Missouri gaming commission.

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

Section A. Sections 313.805, 313.820, and 313.835, RSMo, are repealed and four
2 new sections enacted in lieu thereof, to be known as sections 313.805, 313.820, 313.823, and
3 313.835, to read as follows:

313.805. The commission shall have full jurisdiction over and shall supervise all
2 gambling operations governed by sections 313.800 to 313.850. The commission shall have
3 the following powers and shall promulgate rules and regulations to implement sections
4 313.800 to 313.850:

5 (1) To investigate applicants and determine the priority and eligibility of applicants
6 for a license and to select among competing applicants for a license the applicant which best
7 serves the interests of the citizens of Missouri;

8 (2) To license the operators of excursion gambling boats and operators of gambling
9 games within such boats, to identify occupations within the excursion gambling boat
10 operations which require licensing, and adopt standards for licensing the occupations
11 including establishing fees for the occupational licenses and to license suppliers;

12 (3) To adopt standards under which all excursion gambling boat operations shall be
13 held and standards for the facilities within which the gambling operations are to be held.
14 Notwithstanding the provisions of chapter 311 to the contrary, the commission may authorize
15 the operation of gambling games on an excursion gambling boat which is also licensed to sell
16 or serve alcoholic beverages, wine, or beer. The commission shall regulate the wagering

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.

17 structure for gambling excursions, provided that the commission shall not establish any
18 regulations or policies that limit the amount of wagers, losses, or buy-in amounts;

19 (4) To enter the premises of excursion gambling boats, facilities, or other places of
20 business of a licensee within this state to determine compliance with sections 313.800 to
21 313.850;

22 (5) To investigate alleged violations of sections 313.800 to 313.850 or the
23 commission rules, orders, or final decisions;

24 (6) To assess any appropriate administrative penalty against a licensee, including, but
25 not limited to, suspension, revocation, and penalties of an amount as determined by the
26 commission up to three times the highest daily amount of gross receipts derived from
27 wagering on the gambling games, whether unauthorized or authorized, conducted during the
28 previous twelve months as well as confiscation and forfeiture of all gambling game
29 equipment used in the conduct of unauthorized gambling games. Forfeitures pursuant to this
30 section shall be enforced as provided in sections 513.600 to 513.645;

31 (7) To require a licensee, an employee of a licensee or holder of an occupational
32 license to remove a person violating a provision of sections 313.800 to 313.850 or the
33 commission rules, orders, or final orders, or other person deemed to be undesirable from the
34 excursion gambling boat or adjacent facilities;

35 (8) To require the removal from the premises of a licensee, an employee of a licensee,
36 or a holder of an occupational license for a violation of sections 313.800 to 313.850 or a
37 commission rule or engaging in a fraudulent practice;

38 (9) To require all licensees to file all financial reports required by rules and
39 regulations of the commission;

40 (10) To issue subpoenas for the attendance of witnesses and subpoenas duces tecum
41 for the production of books, records, and other pertinent documents, and to administer oaths
42 and affirmations to the witnesses, when, in the judgment of the commission, it is necessary to
43 enforce sections 313.800 to 313.850 or the commission rules;

44 (11) To keep accurate and complete records of its proceedings and to certify the
45 records as may be appropriate;

46 (12) To ensure that the gambling games are conducted fairly. No gambling device
47 shall be set to pay out less than eighty percent of all wagers;

48 (13) To require all licensees of gambling game operations to use a cashless wagering
49 system whereby all players' money is converted to physical or electronic tokens, electronic
50 cards, or chips which only can be used on the excursion gambling boat;

51 (14) To require excursion gambling boat licensees to develop a system, approved by
52 the commission, that allows patrons the option to prohibit the excursion gambling boat
53 licensee from using identifying information for marketing purposes. The provisions of this

54 subdivision shall apply only to patrons giving identifying information for the first time. Such
55 system shall be submitted to the commission by October 1, 2000, and approved by the
56 commission by January 1, 2001. The excursion gambling boat licensee shall use identifying
57 information obtained from patrons who have elected to have marketing blocked under the
58 provisions of this section only for the purposes of enforcing the requirements contained in
59 sections 313.800 to 313.850. This section shall not prohibit the commission from accessing
60 identifying information for the purposes of enforcing section 313.004 and sections 313.800 to
61 313.850;

62 (15) To determine which of the authorized gambling games will be permitted on any
63 licensed excursion gambling boat;

64 (16) The commission shall base its decision to license excursion gambling boats on
65 any of the following criteria: the docking location or the excursion cruise could cause danger
66 to the boat's passengers, violate federal law or the law of another state, or cause disruption of
67 interstate commerce or possible interference with railway or barge transportation. The
68 commission shall consider economic feasibility or impact that would benefit land-based
69 development and permanent job creation. The commission shall not discriminate among
70 applicants for excursion gambling boats that are similarly situated with respect to the criteria
71 set forth in this section;

72 (17) The commission shall render a finding or findings concerning the transition from
73 a boat, barge, or floating facility to a nonfloating facility within thirty days after a hearing on
74 any request from an applicant or existing licensee. Such hearing may be held prior to any
75 final action on licensing to assist an applicant and any city or county in the finalizing of their
76 economic development plan;

77 (18) To require any applicant for a license or renewal of a license to operate an
78 excursion gambling boat to provide an affirmative action plan which has as its goal the use of
79 best efforts to achieve maximum employment of African-Americans and other minorities and
80 maximum participation in the procurement of contractual purchases of goods and services.
81 This provision shall be administered in accordance with all federal and state employment
82 laws, including Title VII of the Civil Rights Act of 1964, as amended by the Civil Rights Act
83 of 1991. At license renewal, the licensee will report on the effectiveness of the plan. The
84 commission shall include the licensee's reported information in its annual report to the joint
85 committee on gaming and wagering;

86 (19) **To annually adjust the admission fee imposed under section 313.820 for**
87 **inflation; and**

88 (20) To take any other action as may be reasonable or appropriate to enforce sections
89 313.800 to 313.850 and the commission rules.

313.820. 1. **(1)** An excursion boat licensee shall pay to the commission an admission fee of ~~[two]~~ **five dollars and fifty cents, as adjusted for inflation under this subsection**, for each person ~~[embarking on an excursion gambling boat with a ticket of admission.]~~ **present, for every two hours the person is within the gambling area of each gambling facility. The admission fee shall be distributed in the amounts as follows, as adjusted for inflation under this subsection:**

(a) Fifty cents of such admission fee shall be deposited to the credit of the department of natural resources historic preservation revolving fund established under sections 253.400 to 253.407:

a. Beginning on the effective date of this section and for each fiscal year beginning on or after July 1, 2027, but ending on or before June 30, 2030, for the purpose of commemorating the bicentennial of the location of the permanent seat of government as described under Article XI, Section 2 of the Constitution of Missouri; and

b. For all fiscal years beginning on or after July 1, 2030, for the purpose of establishing a contract for the construction of a facility for the acquisition and preservation of artifacts related to Missouri's riverboat heritage with a charitable organization that is exempt from federal income tax and whose Missouri unrelated business taxable income, if any, would be subject to the state income tax imposed under chapter 143;

(b) Two dollars of such admission fee shall be deposited to the credit of the veterans commission capital improvement trust fund established under section 42.300;

(c) One dollar of such admission fee shall be transmitted to the division of developmental disabilities under the department of mental health for payments solely for providing community services, ongoing learning, education, and support to people with developmental disabilities including, but not limited to, the purchase of services from providers designated by the division of developmental disabilities, but not for the support of the facilities operated by the department of mental health;

(d) One dollar of such fee shall be deposited to the credit of the gaming commission fund as authorized pursuant to section 313.835~~[-and];~~

(e) One dollar of such fee shall not be considered state funds and shall be paid to the home dock city or county~~[-];~~ and

(f) Subject to appropriation, one cent of such fee deposited to the credit of the gaming commission fund may be deposited to the credit of the compulsive gamblers fund created pursuant to the provisions of section 313.842.

(2) **(a)** Within the first two months of each calendar year, the commission shall adjust annually for inflation based on the CPI to determine the new admission fee

38 **beginning January first of each calendar year and shall go into effect at the beginning of**
39 **the new fiscal year. Such fee shall be calculated initially on the CPI for the remainder of**
40 **fiscal year 2027 and for the next ten complete fiscal years thereafter.**

41 **(b) For the purposes of this subsection, the term "CPI" means the Consumer**
42 **Price Index for All Urban Consumers for the Midwest Region, as defined and officially**
43 **recorded by the United States Department of Labor or its successor.**

44 **(3) Nothing in this section shall preclude** ~~[any licensee from charging any amount~~
45 ~~deemed necessary for a ticket of admission to any person embarking on an excursion~~
46 ~~gambling boat. If tickets are issued which are good for more than one excursion, the~~
47 ~~admission fee shall be paid to the commission for each person using the ticket on each~~
48 ~~excursion that the ticket is used]~~ **the commission from adjusting the fee annually as**
49 **deemed necessary to account for inflation.** If free passes or complimentary admission
50 tickets are issued, the excursion boat licensee shall pay to the commission the same fee upon
51 these passes or complimentary tickets as if they were sold at the regular and usual admission
52 rate; however, the excursion boat licensee may issue fee-free passes to actual and necessary
53 officials and employees of the licensee or other persons actually working on the excursion
54 gambling boat. The issuance of fee-free passes is subject to the rules of the commission, and
55 a list of all persons to whom the fee-free passes are issued shall be filed with the commission.

56 **2. In all present and future forms of remote wagering, an excursion gambling**
57 **boat licensee shall pay to the commission a remote wagering access fee in lieu of an**
58 **admission fee of one and one-half percent of the total amount of moneys wagered each**
59 **month. The proceeds of such remote wagering access fee shall be deposited to the credit**
60 **of the gaming commission fund as authorized under section 313.835, and shall be**
61 **distributed in accordance with regulations promulgated by the commission, except that**
62 **the first thirty-five million dollars from the proceeds of the remote wagering access fee**
63 **shall be deposited to the credit of the department of natural resources historic**
64 **preservation revolving fund as described under subparagraph b of paragraph (a) of**
65 **subdivision (1) of subsection 1 of this section.**

66 **3. All licensees are subject to all income taxes, sales taxes, earnings taxes, use taxes,**
67 **property taxes or any other tax or fee now or hereafter lawfully levied by any political**
68 **subdivision; however, no other license tax, permit tax, occupation tax, excursion fee, or taxes**
69 **or fees shall be imposed, levied or assessed exclusively upon licensees by a political**
70 **subdivision. All state taxes not connected directly to gambling games shall be collected by**
71 **the department of revenue. Notwithstanding the provisions of section 32.057 to the contrary,**
72 **the department of revenue may furnish and the commission may receive tax information to**
73 **determine if applicants or licensees are complying with the tax laws of this state; however,**

74 any tax information acquired by the commission shall not become public record and shall be
75 used exclusively for commission business.

**313.823. 1. In addition to the tax on adjusted gross receipts imposed under
2 section 313.822, there shall be an additional tax imposed on the adjusted gross receipts
3 received from gambling games authorized under sections 313.800 to 313.850 at the rate
4 of thirteen percent. The additional tax imposed under this subsection shall not be
5 subject to the provisions of subdivision (1) of section 313.822.**

**6 2. The taxes imposed under this section shall be returned to the commission in
7 accordance with the commission's rules and regulations, who shall transfer such taxes to
8 the director of revenue. All checks and drafts remitted for payment of these taxes shall
9 be made payable to the director of revenue.**

**313.835. 1. All revenue received by the commission from license fees, penalties,
2 administrative fees, reimbursement by any excursion gambling boat operators for services
3 provided by the commission and admission fees authorized pursuant to the provisions of
4 sections 313.800 to 313.850, except that portion of the admission fee, not to exceed one cent,
5 that may be appropriated to the compulsive gamblers fund as provided in section 313.820,
6 shall be deposited in the state treasury to the credit of the "Gaming Commission Fund" which
7 is hereby created for the sole purpose of funding the administrative costs of the commission,
8 subject to appropriation. Moneys deposited into this fund shall not be considered proceeds of
9 gambling operations. Moneys deposited into the gaming commission fund shall be
10 considered state funds pursuant to Article IV, Section 15 of the Missouri Constitution. All
11 interest received on the gaming commission fund shall be credited to the gaming commission
12 fund. In each fiscal year, total revenues to the gaming commission fund for the preceding
13 fiscal year shall be compared to total expenditures and transfers from the gaming commission
14 fund for the preceding fiscal year.**

**15 2. The remaining net proceeds in the gaming commission fund shall be distributed in
16 the following manner:**

**17 (1) The first five hundred thousand dollars shall be appropriated on a per capita basis
18 to cities and counties that match the state portion and have demonstrated a need for funding
19 community neighborhood organization programs for the homeless and to deter gang-related
20 violence and crimes;**

**21 (2) The remaining net proceeds in the gaming commission fund for fiscal year 2013
22 and each fiscal year thereafter shall be distributed as follows:**

**23 (a) The first five million dollar portion shall be transferred to the access Missouri
24 financial assistance fund, established pursuant to the provisions of sections 173.1101 to
25 173.1107, and additional moneys as annually appropriated by the general assembly shall be
26 appropriated to such fund;**

27 (b) The second three million dollar portion shall be transferred to the veterans'
28 commission capital improvement trust fund created in section 42.300;

29 (c) The third four million dollar portion shall be transferred to the Missouri National
30 Guard trust fund created in section 41.214, and additional moneys as appropriated by the
31 general assembly may be appropriated to such fund, up to one million five hundred thousand
32 dollars annually;

33 **(d) The fourth fifteen million dollar portion shall be transferred to the Missouri**
34 **department of natural resources historic preservation revolving fund established under**
35 **section 253.400 to 253.407 for the purposes of preserving and protecting collections of**
36 **historic artifacts;**

37 ~~[(d)]~~ (e) Subject to appropriations, one hundred percent of remaining net proceeds in
38 the gaming commission fund, after the appropriations are made pursuant to the provisions of
39 paragraphs (a), (b), and (c) of this subdivision, shall be transferred to the veterans'
40 commission capital improvement trust fund created in section 42.300.

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