

FIRST REGULAR SESSION

# SENATE BILL NO. 18

101ST GENERAL ASSEMBLY

INTRODUCED BY SENATOR HOSKINS.

0561S.02I

ADRIANE D. CROUSE, Secretary

## AN ACT

To repeal sections 313.230 and 313.800, RSMo, and to enact in lieu thereof eighteen new sections relating to sports wagering, with penalty provisions.

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

Section A. Sections 313.230 and 313.800, RSMo, are  
2 repealed and eighteen new sections enacted in lieu thereof, to  
3 be known as sections 313.230, 313.800, 313.1000, 313.1002,  
4 313.1003, 313.1004, 313.1006, 313.1008, 313.1010, 313.1012,  
5 313.1014, 313.1016, 313.1018, 313.1019, 313.1020, 313.1021,  
6 313.1022, and 313.1024, to read as follows:

313.230. The commission shall:

2 (1) Issue rules and regulations concerning the  
3 operation of the Missouri state lottery. The rules and  
4 regulations shall include, but shall not be limited to, the  
5 following:

6 (a) The type of lottery to be conducted, [except no  
7 lottery may use any coin- or token-operated amusement device  
8 and no lottery game shall be based in any form on the  
9 outcome of sporting events. However, it shall be legal to]  
10 **including the use of clerk- or player-activated terminals[,  
11 which are coin- or currency-operated,] to conduct lottery  
12 games, to offer electronic lottery game plays on approved  
13 devices, to print lottery tickets, and to dispense lottery  
14 tickets;**

**EXPLANATION-Matter enclosed in bold-faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law.**

15 (b) The price, or prices, of tickets or shares  
16 **including electronically generated tickets or shares**, in the  
17 lottery;

18 (c) The numbers and sizes of the prizes on the winning  
19 tickets or shares;

20 (d) The manner of selecting the winning tickets or  
21 shares;

22 (e) The manner of payment of prizes to the holders of  
23 winning tickets or shares;

24 (f) The frequency of the drawings or selections of  
25 winning tickets or shares, without limitation;

26 (g) The types or numbers of locations at which tickets  
27 or shares may be sold and the method to be used in selling  
28 tickets or shares;

29 (h) The method to be used in selling tickets or shares;

30 (i) The licensing of lottery game retailers to sell  
31 tickets or shares;

32 (j) The manner and amount of compensation, including  
33 commissions, ticket discounts, incentives and any other  
34 remuneration, to be paid to or retained by lottery game  
35 retailers;

36 (k) The apportionment of the total revenues accruing  
37 from the sale of lottery tickets or shares and from all  
38 other sources among:

39 a. The payment of prizes to the holders of winning  
40 tickets or shares;

41 b. The payment of costs incurred in the operation and  
42 administration of the lottery, including the expenses of the  
43 commission and the costs resulting from any contract or  
44 contracts entered into for promotional, advertising or  
45 operational services or for the purchase or lease of lottery  
46 equipment and materials;

47 c. For the repayment to the general revenue fund of  
48 any amount appropriated for initial start-up of the lottery;  
49 and

50 d. For timely transfer to the state lottery fund as  
51 provided by law;

52 [(1)] (2) Such other matters necessary or desirable  
53 for the efficient and economical operation and  
54 administration of the lottery and for the convenience of the  
55 purchasers of tickets or shares and the holders of winning  
56 tickets or shares. The commission may disburse money for  
57 payment of lottery prizes;

58 [(2)] (3) Amend, repeal, or supplement any such rules  
59 and regulations from time to time as it deems necessary or  
60 desirable;

61 [(3)] (4) Advise and make recommendations to the  
62 director regarding the operation and administration of the  
63 lottery;

64 [(4)] (5) Report quarterly to the governor and the  
65 general assembly the total lottery revenues, prize  
66 disbursements and other expenses for the preceding quarter,  
67 and to make an annual report, which shall include a full and  
68 complete statement of lottery revenues, prize disbursements  
69 and other expenses, to the governor and the general  
70 assembly, and including such recommendations for changes in  
71 sections 313.200 to 313.350 as it deems necessary or  
72 desirable;

73 [(5)] (6) Report to the governor and general assembly  
74 any matters which shall require immediate changes in the  
75 laws of this state in order to prevent abuses and evasions  
76 of sections 313.200 to 313.350 or rules and regulations  
77 promulgated thereunder or to rectify undesirable conditions

78 in connection with the administration or operation of the  
79 lottery;

80        [(6)] (7) Carry on a continuous study and  
81 investigation of the lottery throughout the state and to  
82 make a continuous study and investigation of the operation  
83 and the administration of similar laws which may be in  
84 effect in other states or countries, any literature on the  
85 subject which from time to time may be published or  
86 available, any federal laws which may affect the operation  
87 of the lottery, and the reaction of Missouri citizens to  
88 existing and potential features of the lottery with a view  
89 to recommending or effecting changes that will tend to serve  
90 the purposes of sections 313.200 to 313.350;

91        [(7)] (8) Ensure that all employees of the state  
92 lottery commission hired after July 12, 1990, shall not be  
93 related to any member of the state lottery commission or any  
94 employee of the state lottery commission within the third  
95 degree of consanguinity or affinity.

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

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

9        (2) "Applicant", any person applying for a license  
10 authorized under the provisions of sections 313.800 to  
11 313.850;

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

15           (4) "Capital, cultural, and special law enforcement  
16 purpose expenditures" shall include any disbursement,  
17 including disbursements for principal, interest, and costs  
18 of issuance and trustee administration related to any  
19 indebtedness, for the acquisition of land, land  
20 improvements, buildings and building improvements, vehicles,  
21 machinery, equipment, works of art, intersections, signing,  
22 signalization, parking lot, bus stop, station, garage,  
23 terminal, hanger, shelter, dock, wharf, rest area, river  
24 port, airport, light rail, railroad, other mass transit,  
25 pedestrian shopping malls and plazas, parks, lawns, trees,  
26 and other landscape, convention center, roads, traffic  
27 control devices, sidewalks, alleys, ramps, tunnels,  
28 overpasses and underpasses, utilities, streetscape,  
29 lighting, trash receptacles, marquees, paintings, murals,  
30 fountains, sculptures, water and sewer systems, dams,  
31 drainage systems, creek bank restoration, any asset with a  
32 useful life greater than one year, cultural events, and any  
33 expenditure related to a law enforcement officer deployed as  
34 horse-mounted patrol, school resource or drug awareness  
35 resistance education (D.A.R.E) officer;

36           (5) "Cheat", to alter the selection of criteria which  
37 determine the result of a gambling game or the amount or  
38 frequency of payment in a gambling game;

39           (6) "Commission", the Missouri gaming commission;

40           (7) "Credit instrument", a written check, negotiable  
41 instrument, automatic bank draft or other authorization from  
42 a qualified person to an excursion gambling boat licensee or  
43 any of its affiliated companies licensed by the commission  
44 authorizing the licensee to withdraw the amount of credit  
45 extended by the licensee to such person from the qualified  
46 person's banking account in an amount determined under

47 section 313.817 on or after a date certain of not more than  
48 thirty days from the date the credit was extended, and  
49 includes any such writing taken in consolidation, redemption  
50 or payment of a previous credit instrument, but does not  
51 include any interest-bearing installment loan or other  
52 extension of credit secured by collateral;

53 (8) "Dock", the location in a city or county  
54 authorized under subsection 10 of section 313.812 which  
55 contains any natural or artificial space, inlet, hollow, or  
56 basin, in or adjacent to a bank of the Mississippi or  
57 Missouri Rivers, next to a wharf or landing devoted to the  
58 embarking of passengers on and disembarking of passengers  
59 from a gambling excursion but shall not include any  
60 artificial space created after May 20, 1994, and is located  
61 more than one thousand feet from the closest edge of the  
62 main channel of the river as established by the United  
63 States Army Corps of Engineers;

64 (9) "Excursion gambling boat", a boat, ferry or other  
65 floating facility licensed by the commission on which  
66 gambling games are allowed;

67 (10) "Fiscal year" shall for the purposes of  
68 [subsections 3 and 4 of] section 313.820 mean the fiscal  
69 year of a home dock city or county;

70 (11) "Floating facility", any facility built or  
71 originally built as a boat, ferry or barge licensed by the  
72 commission on which gambling games are allowed;

73 (12) "Gambling excursion", the time during which  
74 gambling games may be operated on an excursion gambling boat  
75 whether docked or during a cruise;

76 (13) "Gambling game" includes, but is not limited to,  
77 games of skill or games of chance on an excursion gambling  
78 boat [but does not include gambling on sporting events];

79 provided such games of chance are approved by amendment to  
80 the Missouri Constitution;

81 (14) "Games of chance", any gambling game in which the  
82 player's expected return is not favorably increased by his  
83 or her reason, foresight, dexterity, sagacity, design,  
84 information or strategy;

85 (15) "Games of skill", any gambling game in which  
86 there is an opportunity for the player to use his or her  
87 reason, foresight, dexterity, sagacity, design, information  
88 or strategy to favorably increase the player's expected  
89 return; including, but not limited to, the gambling games  
90 known as "poker", "blackjack" (twenty-one), "craps",  
91 "Caribbean stud", "pai gow poker", "Texas hold'em", "double  
92 down stud", and any video representation of such games;

93 (16) "Gross receipts", the total sums wagered by  
94 patrons of licensed gambling games;

95 (17) "Holder of occupational license", a person  
96 licensed by the commission to perform an occupation within  
97 excursion gambling boat operations which the commission has  
98 identified as requiring a license;

99 (18) "Licensee", any person licensed under sections  
100 313.800 to 313.850;

101 (19) "Mississippi River" and "Missouri River", the  
102 water, bed and banks of those rivers, including any space  
103 filled by the water of those rivers for docking purposes in  
104 a manner approved by the commission but shall not include  
105 any artificial space created after May 20, 1994, and is  
106 located more than one thousand feet from the closest edge of  
107 the main channel of the river as established by the United  
108 States Army Corps of Engineers;

109 (20) "Supplier", a person who sells or leases gambling  
110 equipment and gambling supplies to any licensee.

111           2. In addition to the games of skill defined in this  
112 section, the commission may approve other games of skill  
113 upon receiving a petition requesting approval of a gambling  
114 game from any applicant or licensee. The commission may set  
115 the matter for hearing by serving the applicant or licensee  
116 with written notice of the time and place of the hearing not  
117 less than five days prior to the date of the hearing and  
118 posting a public notice at each commission office. The  
119 commission shall require the applicant or licensee to pay  
120 the cost of placing a notice in a newspaper of general  
121 circulation in the applicant's or licensee's home dock city  
122 or county. The burden of proof that the gambling game is a  
123 game of skill is at all times on the petitioner. The  
124 petitioner shall have the affirmative responsibility of  
125 establishing his or her case by a preponderance of evidence  
126 including:

- 127           (1) Is it in the best interest of gaming to allow the  
128 game; and  
129           (2) Is the gambling game a game of chance or a game of  
130 skill?

131 All testimony shall be given under oath or affirmation. Any  
132 citizen of this state shall have the opportunity to testify  
133 on the merits of the petition. The commission may subpoena  
134 witnesses to offer expert testimony. Upon conclusion of the  
135 hearing, the commission shall evaluate the record of the  
136 hearing and issue written findings of fact that shall be  
137 based exclusively on the evidence and on matters officially  
138 noticed. The commission shall then render a written  
139 decision on the merits which shall contain findings of fact,  
140 conclusions of law and a final commission order. The final  
141 commission order shall be within thirty days of the



142 hearing. Copies of the final commission order shall be  
143 served on the petitioner by certified or overnight express  
144 mail, postage prepaid, or by personal delivery.

313.1000. As used in sections 313.1000 to 313.1020,  
2 the following terms shall mean:

3 (1) "Adjusted gross receipts":

4 (a) The total of all cash and cash equivalents  
5 received by a sports wagering operator from sports wagering  
6 minus:

7 (b) The total of:

8 a. All cash and cash equivalents paid out as winnings  
9 to sports wagering patrons;

10 b. The actual costs paid by a sports wagering operator  
11 for any personal property or services distributed to sports  
12 wagering patrons as prizes;

13 c. Voided wagers; and

14 d. Uncollectible sports wagering receivables, not to  
15 exceed the lesser of:

16 (i) A reasonable provision for uncollectible patron  
17 checks received from sports wagering operations; or

18 (ii) Two percent of the total of all sums, including  
19 checks, whether collected or not, less the amount paid out  
20 as winnings to sports wagering patrons. For purposes of  
21 this section, a counter or personal check that is invalid or  
22 unenforceable under this section is considered cash received  
23 by the sports wagering operator from sports wagering  
24 operations;

25 (2) "Certificate holder", a licensed applicant issued  
26 a certificate of authority by the commission;

27 (3) "Certificate of authority", a certificate issued  
28 by the commission authorizing a licensed applicant to  
29 conduct sports wagering under sections 313.1000 to 313.1024;

- 30           (4) "Commission", the Missouri gaming commission;
- 31           (5) "Department", the department of revenue;
- 32           (6) "Excursion gambling boat", the same meaning as  
33 defined under section 313.800;
- 34           (7) "Gross receipts", the total amount of cash and  
35 cash equivalents paid by sports wagering patrons to a sports  
36 wagering operator to participate in sports wagering;
- 37           (8) "Interactive sports wagering platform" or  
38 "platform", a person that offers sports wagering over the  
39 internet, including on internet websites and mobile devices  
40 on behalf of a certificate holder;
- 41           (9) "Licensed applicant", a person holding a license  
42 issued under section 313.807 to operate an excursion  
43 gambling boat;
- 44           (10) "Licensed facility", an excursion gambling boat  
45 licensed under this chapter;
- 46           (11) "Licensed supplier", a person holding a  
47 supplier's license issued by the commission;
- 48           (12) "Occupational license", a license issued by the  
49 commission;
- 50           (13) "Official league data", statistics, results,  
51 outcomes, and other data relating to an athletic or sporting  
52 event obtained pursuant to an agreement with the relevant  
53 sports governing body, or an entity expressly authorized by  
54 the sports governing body to provide such information to  
55 sports wagering operators, which authorizes the use of such  
56 data for determining the outcome of tier two sports wagers;
- 57           (14) "Person", an individual, sole proprietorship,  
58 partnership, association, fiduciary, corporation, limited  
59 liability company, or any other business entity;
- 60           (15) "Personal biometric data", an athlete's  
61 information derived from DNA, heart rate, blood pressure,

62 perspiration rate, internal or external body temperature,  
63 hormone levels, glucose levels, hydration levels, vitamin  
64 levels, bone density, muscle density, and sleep patterns;

65 (16) "Registered sports governing body", a sports  
66 governing body that is headquartered in the United States  
67 and who has registered with the commission under sections  
68 313.1000 to 313.1024. The term shall not include the  
69 National Collegiate Athletic Association;

70 (17) "Sports governing body", the organization that  
71 prescribes final rules and enforces codes of conduct with  
72 respect to a sporting event and participants therein;

73 (18) "Sports wagering", wagering conducted under  
74 sections 313.1000 to 313.1024 on athletic and sporting  
75 events involving human competitors or on other events as  
76 approved by the commission. Sports wagering shall not  
77 include money spent to participate in paid fantasy sports  
78 under sections 313.900 to 313.955;

79 (19) "Sports wagering device", a mechanical,  
80 electrical, or computerized contrivance, terminal, device,  
81 apparatus, piece of equipment, or supply approved by the  
82 commission for conducting sports wagering under sections  
83 313.1000 to 313.1024. Sports wagering device shall not  
84 include a device used by a sports wagering patron to access  
85 an interactive sports wagering platform;

86 (20) "Sports wagering operator" or "operator", a  
87 certificate holder or an interactive sports wagering  
88 platform offering sports wagering on behalf of a certificate  
89 holder;

90 (21) "Supplier's license", a license issued by the  
91 commission under section 313.807;

92 (22) "Tier one sports wager", a sports wager that is  
93 determined solely by the final score or final outcome of the

94 sporting event and is placed before the sporting event has  
95 begun;

96 (23) "Tier two sports wager", a sports wager that is  
97 not a tier one sports wager.

313.1002. 1. The state of Missouri shall be exempt  
2 from the provisions of 15 U.S.C. Section 1172.

3 2. All shipments of gambling devices used to conduct  
4 sports wagering under sections 313.1000 to 313.1024 to  
5 licensed applicants or certificate holders, the registering,  
6 recording, and labeling of which have been completed by the  
7 manufacturer or dealer thereof in accordance with 15 U.S.C.  
8 Sections 1171 to 1178, shall be legal shipments of gambling  
9 devices into this state.

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

3 2. A licensed facility may offer sports wagering:

4 (1) In person at the licensed facility; and

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

313.1004. 1. The commission shall adopt rules to  
2 implement the provisions of sections 313.1000 to 313.1024.  
3 Any rule or portion of a rule, as that term is defined in  
4 section 536.010, that is created under the authority  
5 delegated in this section shall become effective only if it  
6 complies with and is subject to all of the provisions of  
7 chapter 536 and, if applicable, section 536.028. This  
8 section and chapter 536 are nonseverable and if any of the  
9 powers vested with the general assembly pursuant to chapter  
10 536 to review, to delay the effective date, or to disapprove  
11 and annul a rule are subsequently held unconstitutional,

12 then the grant of rulemaking authority and any rule proposed  
13 or adopted after August 28, 2021, shall be invalid and void.

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

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

18 (a) Wagers are received;

19 (b) Payouts are paid; and

20 (c) Point spreads, lines, and odds are disclosed;

21 (2) Standards governing how a certificate holder  
22 offers sports wagering over the internet through an  
23 interactive sports wagering platform to patrons physically  
24 located in Missouri;

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

31 (4) Standards concerning the detection and prevention  
32 of compulsive gambling.

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

36 (1) Designate an area within the licensed facility  
37 operated by the certificate holder for sports wagering  
38 conducted under sections 313.1000 to 313.1024;

39 (2) Ensure the security and integrity of sports wagers  
40 accepted through an interactive sports wagering platform;

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

44           (4) Allow the commission to be present through the  
45 commission's gaming agents during the time sports wagering  
46 is conducted in all areas of the certificate holder's  
47 licensed facility in which sports wagering is conducted, to  
48 do the following:

49           (a) Ensure maximum security of the counting and  
50 storage of the sports wagering revenue received by the  
51 certificate holder;

52           (b) Certify the sports wagering revenue received by  
53 the certificate holder;

54           (c) Receive complaints from the public;

55           (5) Ensure that individuals who are less than twenty-  
56 one years of age do not make sports wagers;

57           (6) Provide written information to sports wagering  
58 patrons about sports wagering, payouts, winning wagers, and  
59 other information considered relevant by the commission;

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

313.1006. 1. A licensed applicant who wishes to offer  
2 sports wagering under sections 313.1000 to 313.1024 shall:

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

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

10           2. Upon receipt of the application and fee required  
11 under subsection 1 of this section, the commission shall  
12 issue a certificate of authority to a licensed applicant  
13 authorizing the licensed applicant to conduct sports

14 wagering under sections 313.1000 to 313.1024 in a licensed  
15 facility or through an interactive sports wagering platform.

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

7 2. (1) A certificate holder shall designate an area  
8 or areas within the certificate holder's licensed facility  
9 for conducting sports wagering.

10 (2) A certificate holder may administer or contract  
11 with up to three individually branded interactive sports  
12 wagering platforms to administer interactive sports wagering  
13 on the certificate holder's behalf.

14 3. (1) Sports wagering may be conducted with chips,  
15 tokens, electronic cards, or money or other negotiable  
16 currency.

17 (2) A certificate holder shall determine the minimum  
18 and maximum wagers in sports wagering conducted in the  
19 certificate holder's licensed facility.

20 4. A certificate holder shall not permit any sports  
21 wagering on the premises of the licensed facility except as  
22 provided under subsection 2 of this section.

23 5. A sports wagering device shall be approved by the  
24 commission and acquired by a certificate holder from a  
25 licensed supplier.

26 6. The commission shall determine the occupations  
27 related to sports wagering that require an occupational  
28 license.

29 7. A certificate holder may lay off one or more sports  
30 wagers. The commission may promulgate rules permitting

31 certificate holders or platforms to employ systems that  
32 offset loss or manage risk in the operation of sports  
33 wagering under sections 313.1000 to 313.1024 through the use  
34 of liquidity pools in other jurisdictions in which the  
35 certificate holder, platform, an affiliate of the  
36 certificate holder or platform, or a third party also holds  
37 licenses to conduct sports wagering; provided that at all  
38 times adequate protections are maintained to ensure  
39 sufficient funds are available to pay winnings to patrons.

40 8. Subject to the approval of the commission, a  
41 certificate holder may contract with a third party to  
42 conduct sports wagering at the certificate holder's licensed  
43 facility.

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

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

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

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

13 3. Each year on or before the anniversary date of the  
14 payment of the initial application fee under subsection 2 of  
15 this section, an interactive sports wagering platform  
16 provider holding a license issued under this section shall  
17 pay to the commission an annual license renewal fee of fifty  
18 thousand dollars. Such license renewal fees and the initial  
19 application fee provided for under subdivision (2) of



20 subsection 2 of this section shall be deposited in the  
21 gaming commission fund and distributed according to section  
22 313.835.

23 4. Notwithstanding any other provision of law to the  
24 contrary, the following information shall be confidential  
25 and shall not be disclosed to the public unless required by  
26 court order or by any other provision of section 313.1000 to  
27 313.1024:

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

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

313.1012. 1. A certificate holder shall verify that a  
2 person placing a wager is of the legal minimum age for  
3 placing a wager under sections 313.1000 to 313.1024.

4 2. The commission shall adopt rules and regulations  
5 for a sports wagering self-exclusion program consistent with  
6 those adopted under sections 313.800 to 313.850. Any rule  
7 or portion of a rule, as that term is defined in section  
8 536.010, that is created under the authority delegated in  
9 this section shall become effective only if it complies with  
10 and is subject to all of the provisions of chapter 536 and,  
11 if applicable, section 536.028. This section and chapter  
12 536 are nonseverable and if any of the powers vested with  
13 the general assembly pursuant to chapter 536 to review, to  
14 delay the effective date, or to disapprove and annul a rule  
15 are subsequently held unconstitutional, then the grant of  
16 rulemaking authority and any rule proposed or adopted after  
17 August 28, 2021, shall be invalid and void.

18           3. The commission shall adopt rules to ensure that  
19 advertisements for sports wagering:

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

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

25           (3) Provide information about or links to resources  
26 relating to gambling addiction; and

27           (4) Are not otherwise false, misleading, or deceptive  
28 to a reasonable consumer.

          313.1014. 1. The commission shall conduct background  
2 checks on individuals seeking licenses under sections  
3 313.1000 to 313.1024. A background check conducted under  
4 this section shall be consistent with the provisions of  
5 section 313.810, and shall include a search for criminal  
6 history and any charges or convictions involving corruption  
7 or manipulation of sporting events.

8           2. (1) A certificate holder shall employ commercially  
9 reasonable methods to:

10           (a) Prohibit the certificate holder, directors,  
11 officers, and employees of the certificate holder, and any  
12 relative living in the same household of a person described  
13 in this paragraph from placing sports wagers with the  
14 certificate holder;

15           (b) Prohibit any individual with access to nonpublic  
16 confidential information held by the certificate holder from  
17 placing sports wagers with the certificate holder;

18           (c) Prevent the sharing of confidential information  
19 that could affect sports wagering offered by the certificate  
20 holder or by third parties until the information is made  
21 publicly available; and

22           (d) Prohibit persons from placing sports wagers as  
23 agents or proxies for other persons.

24           (2) Nothing in this section shall preclude the use of  
25 internet or cloud based hosting of data, or any disclosure  
26 of information required by court order or other provisions  
27 of law.

28           3. (1) A sports governing body may notify the  
29 commission that it desires to restrict, limit, or exclude  
30 sports wagers on its sporting events by providing notice in  
31 the form and manner as the commission may require,  
32 including, without limitation, restrictions on the sources  
33 of data and associated video upon which an operator may rely  
34 in offering and paying wagers and the bet types that may be  
35 offered. Upon receiving such notice, the commission shall  
36 only deny a request if it deems such request arbitrary and  
37 capricious. If the commission denies a request, the sports  
38 governing body shall be afforded notice and the right to be  
39 heard and offer proof in opposition to such determination in  
40 accordance with the regulations of the commission. Offering  
41 or taking wagers contrary to restrictions promulgated by the  
42 commission is a violation of this section. Except in  
43 relation to an emergency situation as provided in  
44 subdivision (2) of this subsection, the provisions of this  
45 subsection shall not apply to tier one sports wagers on non-  
46 exhibition games or events of professional sports  
47 organizations or the National Collegiate Athletics  
48 Association. For the purposes of this subsection,  
49 "professional sports organization" shall include, but shall  
50 not be limited to, the National Football League, Major  
51 League Baseball, the National Basketball Association, the  
52 National Hockey League, Major League Soccer, and the  
53 Professional Golfers Association. Such term shall not

54 include minor league baseball or any other developmental  
55 league, whether or not such league is affiliated with a  
56 professional sports organization.

57 (2) In the event that a request is submitted in  
58 relation to an emergency situation, the executive director  
59 of the commission may temporarily grant the request of the  
60 sports governing body until the commission makes a final  
61 determination as to whether such request is arbitrary and  
62 capricious.

63 4. The commission and certificate holders shall  
64 cooperate with investigations conducted by law enforcement  
65 agencies, including by providing or facilitating the  
66 provision of betting information and audio or video files  
67 relating to persons placing sports wagers.

68 5. A certificate holder shall immediately report to  
69 the commission any information relating to:

70 (1) Criminal or disciplinary proceedings commenced  
71 against the certificate holder in connection with its  
72 operations;

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

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

77 (4) Any other conduct that corrupts the wagering  
78 outcome of a sporting event or events for purposes of  
79 financial gain; and

80 (5) Suspicious or illegal wagering activities.

81 6. A certificate holder shall maintain the  
82 confidentiality of information provided by a sports  
83 governing body to the certificate holder unless disclosure  
84 is required by court order, the commission, or any other  
85 provision of law.

86           7. (1) Except as provided in subsection 8 of this  
87 section, certificate holders may use any data source to  
88 determine the results of sports wagers, provided the data is  
89 not obtained directly or indirectly from live event  
90 attendees who collect the data in violation of the terms of  
91 admittance to an event or through automated computer  
92 programs that compile data from the internet in violation of  
93 the terms of service of the relevant website or other  
94 internet platform.

95           (2) Certificate holders shall not purchase or utilize  
96 any personal biometric data of an athlete unless the  
97 certificate holder has received written permission from the  
98 athlete's exclusive bargaining representative.

99           8. A sports governing body may notify the commission  
100 that it desires to supply official league data to  
101 certificate holders for determining the results of tier two  
102 sports wagers. Such notification shall be made in the form  
103 and manner as the commission may require. Within thirty  
104 days of such notification by a sports governing body,  
105 certificate holders shall use only official league data to  
106 determine the results of tier two wagers, unless the  
107 certificate holder can demonstrate to the commission that  
108 the sports governing body or its designee cannot provide a  
109 feed of official league data to the certificate holder on  
110 commercially reasonable terms.

          313.1016. 1. A certificate holder, for bets and  
2 wagers that exceed ten thousand dollars in a twenty-four-  
3 hour period and that were placed in person by a patron,  
4 shall maintain the following records for a period of at  
5 least three years after the sporting event occurs:

- 6           (1) Personally identifiable information of the bettor;
- 7           (2) The amount and type of bet placed;

8 (3) The time and date the bet was placed;

9 (4) The location, including specific information  
10 pertaining to the betting window where the bet was placed;

11 (5) The outcome of the bet; and

12 (6) Any discernable pattern of abnormal betting  
13 activity by the patron.

14 2. A certificate holder, for all bets and wagers  
15 placed through an interactive sports wagering platform,  
16 shall maintain the following records for a period of at  
17 least three years after the sporting event occurs:

18 (1) Personally identifiable information of the bettor;

19 (2) The amount and type of bet placed;

20 (3) The time and date the bet was placed;

21 (4) The location, including specific information  
22 pertaining to the internet protocol address, where the bet  
23 was placed;

24 (5) The outcome of the bet; and

25 (6) Any discernable pattern of abnormal betting  
26 activity by the patron.

27 3. A certificate holder shall make the records and  
28 data that it is required to maintain under this section  
29 available for inspection upon request of the commission or  
30 as required by court order.

31 4. If a sports governing body has notified the  
32 commission that real-time information sharing for wagers  
33 placed on its sporting events is necessary and desirable,  
34 sports wagering operators shall share in real time, at the  
35 account level, and in pseudonymous form, the information  
36 required to be retained under subsections 1 and 2 of this  
37 section, other than video files, with the sports governing  
38 body or its designee with respect to wagers on its sporting

39 events. Such information may be used by a sports governing  
40 body solely for integrity purposes.

313.1018. 1. The performance of any act required, or  
2 the forbearance of any act prohibited, by sections 313.1000  
3 to 313.1024, by an interactive sports wagering platform  
4 provider is imputed to the certificate holder on behalf of  
5 which the platform is operating, and vice versa.

6 2. A certificate holder is not liable under the laws  
7 of this state to any party, including patrons, for  
8 disclosing information as required under sections 313.1000  
9 to 313.1024, and is not liable for refusing to disclose  
10 information unless required under sections 313.1000 to  
11 313.1024.

12 3. Any person, firm, corporation, association, agent,  
13 or employee who knowingly violates any procedure implemented  
14 under sections 313.1000 to 313.1024 shall be liable for a  
15 civil penalty of not more than five thousand dollars for  
16 each violation, not to exceed fifty thousand dollars for  
17 violations arising out of the same transaction or  
18 occurrence, which shall accrue to the state and may be  
19 recovered in a civil action brought by the commission. Any  
20 licensee who violates any provision under sections 313.1000  
21 to 313.1024 shall be subject to the actions and penalties  
22 provided under subdivision (6) of section 313.805, excluding  
23 any financial penalties in excess of those provided under  
24 this subsection.

25 4. (1) Any person, firm, corporation, association,  
26 agent, or employee shall be guilty of a class E felony for:

27 (a) Placing, or causing to be placed, a bet or wager  
28 on the basis of material nonpublic information relating to  
29 that bet or wager; or

30 (b) Knowingly engaging in, facilitating, or concealing  
31 conduct that intends to improperly influence a betting  
32 outcome of a sporting event for purposes of financial gain,  
33 in connection with betting or wagering on a sporting event.

34 (2) For the purposes of this subsection, a bet or  
35 wager shall be "on the basis of material nonpublic  
36 information" if the person placing the bet or wager, or  
37 causing it to be placed, was aware of the material nonpublic  
38 information when such person placed the bet or wager or  
39 caused it to be placed. The term "material nonpublic  
40 information" shall include personal biometric data.

313.1019. 1. A sports governing body may register  
2 with the commission if the sports governing body is  
3 headquartered in the United States and it completes such  
4 registration form as the commission may require. Upon  
5 submission of a completed registration form to the  
6 commission, the eligible sports governing body shall be  
7 deemed registered and shall be entitled to receive the  
8 royalty fee provided for under this section.

9 2. Within thirty days of the end of each calendar  
10 quarter, a certificate holder shall remit to the commission  
11 a royalty fee of one-quarter of one percent of the amount  
12 wagered on sporting events conducted by registered sports  
13 governing bodies during the previous calendar quarter.

14 3. The royalty fee shall be remitted on a form as the  
15 commission may require, on which the certificate holder  
16 shall identify the percentage of wagering during the  
17 reporting period attributable to each registered sports  
18 governing body's sporting events.

19 4. No later than April thirtieth of each year, a  
20 registered sports governing body may submit a request for  
21 disbursement of funds remitted by certificate holders in the



22 previous calendar year. The commission shall disburse the  
23 funds to the registered sports governing body in pro rata  
24 proportion of the total amount wagered on its sporting  
25 events. No registered sports governing body shall be  
26 required to obtain a license from the commission in order to  
27 lawfully accept the funds provided for in this subsection.

28 5. The commission shall annually publish a report  
29 stating the amount received from certificate holders in  
30 royalty fees and the amount paid to registered sports  
31 governing bodies.

32 6. Any unclaimed royalty fees shall be distributed to  
33 the certificate holders that timely remitted the royalties  
34 required under this section to the commission. Such  
35 royalties shall be distributed to the eligible certificate  
36 holders on a pro rata basis.

37 7. The commission shall cooperate with a registered  
38 sports governing body and certificate holders to ensure the  
39 timely, efficient, and accurate sharing of information and  
40 the remittance of the royalty fee to the registered sports  
41 governing body or its designee.

313.1020. 1. Within thirty days of the end of each  
2 calendar quarter, a certificate holder shall remit to the  
3 commission a royalty fee of one-quarter of one percent of  
4 the amounts wagered on:

5 (1) Sporting events involving at least one National  
6 Collegiate Athletic Association Football Bowl Subdivision  
7 football team; and

8 (2) Sporting events involving at least one National  
9 Collegiate Athletic Association Division I basketball team.

10 2. No later than April thirtieth of each year, the  
11 commission shall disburse the royalty fees collected from  
12 certificate holders under this section as follows:

13           (1) The royalty fees collected under subdivision (1)  
14 of subsection 1 of this section shall be distributed evenly  
15 among the public universities in this state that sponsor  
16 National Collegiate Athletic Association Football Bowl  
17 Subdivision football teams; and

18           (2) The royalty fees collected under subdivision (2)  
19 of subsection 1 of this section shall be distributed evenly  
20 among the public universities in this state that sponsor  
21 National Collegiate Athletic Association Division I  
22 basketball teams.

23           3. The royalty fees received by public universities  
24 under this section shall be used solely for athletics  
25 compliance.

          313.1021. 1. A wagering tax of nine percent is  
2 imposed on the adjusted gross receipts received from sports  
3 wagering conducted by a certificate holder under sections  
4 313.1000 to 313.1024. If a third party is contracted with  
5 to conduct sports wagering at a certificate holder's  
6 licensed facility, the third party contractor shall fulfill  
7 the certificate holder's duties under this section.

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

16           3. The payment of the tax under this section shall be  
17 by an electronic funds transfer by an automated  
18 clearinghouse.

19           4. Revenues received from the tax imposed under  
20 subsection 1 of this section shall be deposited in the state  
21 treasury to the credit of the "Gaming Proceeds for Education  
22 Fund" and shall be distributed as provided under section  
23 313.822.

24           5. (1) A certificate holder shall pay to the  
25 commission an annual administrative fee of fifty thousand  
26 dollars. The fee imposed shall be due one year after the  
27 date on which the certificate holder commences sports  
28 wagering operations under sections 313.1000 to 313.1024, and  
29 on each annual anniversary date thereafter. The commission  
30 shall deposit the administrative fees received under this  
31 subsection in the gaming commission fund and shall  
32 distribute such fees according to section 313.835.

33           (2) In addition to the annual administrative fee  
34 required under this subsection, a certificate holder shall  
35 pay to the commission a fee of ten thousand dollars to cover  
36 the costs of a full reinvestigation of the certificate  
37 holder in the fifth year after the date on which the  
38 certificate holder commences sports wagering operations  
39 under sections 313.1000 to 313.1024 and on each fifth year  
40 thereafter. The commission shall deposit the fees received  
41 under this subdivision in the gaming commission fund and  
42 shall distribute such fees according to section 313.835.

          313.1022. All sports wagers authorized under sections  
2 313.1000 to 313.1024 shall be deemed initiated, received,  
3 and otherwise made on the property of an excursion gambling  
4 boat within this state. Consistent with the intent of the  
5 United States Congress as articulated in the Unlawful  
6 Internet Gambling Enforcement Act of 2006, 31 U.S.C.  
7 Sections 5361 to 5367, as amended, the intermediate routing  
8 of electronic data relating to lawful intrastate sports

9 wagers authorized under sections 313.1000 to 313.1024 shall  
10 not determine the location or locations in which such wager  
11 is initiated, received, or otherwise made.

313.1024. 1. (1) The commission shall establish a  
2 hotline or other method of communication that allows any  
3 person to confidentially report information about any  
4 conduct that the person believes constitutes a violation of  
5 the provisions of sections 313.1000 to 313.1024.

6 (2) The commission shall investigate all reasonable  
7 allegations and shall refer any allegations that it deems  
8 credible to the appropriate law enforcement entity.

9 (3) The identity of any reporting person shall remain  
10 confidential unless such person authorizes disclosure of his  
11 or her identity or until such time as the allegation of  
12 conduct in violation of sections 313.1000 to 313.1024 is  
13 referred to law enforcement.

14 (4) If the commission receives a complaint involving  
15 an athlete, referee, owner, or any other person affiliated  
16 in any way with a sports governing body, the commission  
17 shall notify the appropriate sports governing body.

18 (5) The commission shall promulgate rules to implement  
19 the provisions of this subsection. Any rule or portion of a  
20 rule, as that term is defined in section 536.010, that is  
21 created under the authority delegated in this section shall  
22 become effective only if it complies with and is subject to  
23 all of the provisions of chapter 536 and, if applicable,  
24 section 536.028. This section and chapter 536 are  
25 nonseverable and if any of the powers vested with the  
26 general assembly pursuant to chapter 536 to review, to delay  
27 the effective date, or to disapprove and annul a rule are  
28 subsequently held unconstitutional, then the grant of

29 rulemaking authority and any rule proposed or adopted after  
30 August 28, 2021, shall be invalid and void.

31 2. A sports wagering operator, sports governing body,  
32 professional sports franchise, or higher education  
33 institution shall not discharge, demote, suspend, threaten,  
34 harass, or in any other manner discriminate against an  
35 employee because of any lawful act performed by the employee  
36 to provide information, cause information to be provided, or  
37 otherwise assist in an investigation regarding any conduct  
38 which the employee reasonably believes constitutes a  
39 violation of the provisions of sections 313.1000 to 313.1024.

40 3. A person who alleges action or conduct by any  
41 person in violation of subsection 2 of this section may seek  
42 relief by bringing an action at law or equity in a court of  
43 competent jurisdiction.

44 4. In any action brought pursuant to subsection 3 of  
45 this section, a court may find that a violation of  
46 subsection 2 of this section has occurred and award judgment  
47 for the employee only if:

48 (1) The employee demonstrates by a preponderance of  
49 the evidence that the actions of the employee to provide  
50 information or assist in an investigation were a  
51 contributing factor to the discharge or other  
52 discrimination; and

53 (2) The employer does not demonstrate, by clear and  
54 convincing evidence, that the employer would have taken the  
55 same unfavorable personnel action in the absence of behavior.

56 5. An action brought pursuant to subsection 3 of this  
57 section shall be commenced not later than one hundred eighty  
58 days after the later of:

59 (1) The date on which the violation occurs; or

60           (2) The date on which the employee became aware of the  
61 violation.

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