

FIRST REGULAR SESSION

SENATE BILL NO. 43

100TH GENERAL ASSEMBLY

INTRODUCED BY SENATOR HOSKINS.

Pre-filed December 1, 2018, and ordered printed.

0260S.05I

ADRIANE D. CROUSE, Secretary.

AN ACT

To amend chapter 313, RSMo, by adding thereto seven new sections relating to video lottery, with penalty provisions.

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

Section A. Chapter 313, RSMo, is amended by adding thereto seven new sections, to be known as sections 313.425, 313.427, 313.429, 313.431, 313.433, 313.435, and 313.437, to read as follows:

313.425. Sections 313.425 to 313.437 shall be known and may be cited as the "Missouri Video Lottery Control Act" and shall establish the regulatory framework for the use of player-activated video terminals for the conduct of lottery games.

313.427. As used in sections 313.425 to 313.437, the following words and phrases shall mean:

(1) "Centralized computer system", a computerized system developed or procured by the commission that video lottery game terminals are connected to using standard industry protocols that can activate or deactivate a particular video lottery game terminal from a remote location, and that is capable of monitoring and auditing video lottery game plays;

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

(3) "Establishment", any establishment registered to do business in this state by a person licensed as a video lottery game retailer that is or becomes licensed under chapter 311 to sell liquor at retail, and that is one or more of the following:

(a) A fraternal organization or veterans' organization that

17 maintains a license issued under chapter 311 to sell intoxicating liquor,
18 and that obtains and maintains a license issued by the commission to
19 offer lottery games played on video lottery game terminals;

20 (b) A truck stop equipped for fueling commercial vehicles, that
21 has sold on average ten thousand gallons of diesel or biodiesel fuel
22 each month for the previous twelve months or is projected to sell an
23 average of ten thousand gallons of diesel or biodiesel fuel each month
24 for the next twelve months, that is situated on more than two acres of
25 land adjacent to a major state or federal highway, that maintains a
26 license issued under chapter 311 to sell intoxicating liquor, and that
27 obtains and maintains a license issued by the commission to offer
28 lottery games played on video lottery game terminals;

29 (c) A convenience store that has sold on average ten thousand
30 gallons of fuel each month for the previous twelve months or is
31 projected to sell an average of ten thousand gallons of fuel each month
32 for the next twelve months, that maintains a license issued under
33 chapter 311 to sell intoxicating liquor, and that obtains and maintains
34 a license issued by the commission to offer lottery games played on
35 video lottery game terminals;

36 (d) A bar, tavern, or restaurant that maintains a license issued
37 under chapter 311 to sell intoxicating liquor, and that obtains and
38 maintains a license issued by the commission to offer lottery games
39 played on video lottery game terminals;

40 (e) A liquor store that maintains a license issued under chapter
41 311 to sell intoxicating liquor, and that obtains and maintains a license
42 issued by the commission to offer lottery games played on video lottery
43 game terminals;

44 (f) A grocery store that maintains a license issued under chapter
45 311 to sell intoxicating liquor, and that obtains and maintains a license
46 issued by the commission to offer lottery games played on video lottery
47 game terminals;

48 (4) "Fraternal organization", any organization within this state
49 operating under the lodge system which exists for the common benefit,
50 brotherhood or other interest of its members, except college
51 fraternities and sororities, of which no part of the net earnings inures
52 to the benefit of any private shareholder or any individual member of
53 such organization, which has been exempted from the payment of

54 federal income tax, and which derives its charter from a national
55 fraternal organization which regularly meets;

56 (5) "Veterans' organization", a post or organization of veterans,
57 or an auxiliary unit or society of, or a trust or foundation for, any such
58 post or organization organized in the United States or any of its
59 possessions in which at least seventy-five percent of the members are
60 veterans of the United States armed forces and substantially all of the
61 other members are individuals who are veterans or are cadets, or are
62 spouses, widows or widowers of war veterans of such individuals, in
63 which no part of the net earnings inures to the benefit of any private
64 shareholder or individual, and which has been exempted from payment
65 of federal income taxes;

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

70 (7) "Video lottery game adjusted gross receipts", the total of cash
71 or cash equivalents used for the play of a video lottery game on a video
72 lottery game terminal minus cash or cash equivalent paid to players as
73 a result of playing video lottery games on a video lottery game
74 terminal;

75 (8) "Video lottery game distributor", a person licensed by the
76 commission to buy, sell, lease, rent, finance or otherwise provide,
77 distribute or service video lottery game terminals or major parts and
78 components of video lottery game terminals, including used or
79 refurbished video lottery game terminals to and from licensed video
80 lottery game manufacturers and licensed video lottery game operators;

81 (9) "Video lottery game handler", a person employed by a licensed
82 video lottery game operator to handle, place, operate, and service video
83 lottery game terminals and associated equipment;

84 (10) "Video lottery game manufacturer", any person that
85 manufactures video lottery game terminals or major parts and
86 components for video lottery game terminals as approved by the lottery
87 commission;

88 (11) "Video lottery game operator", a person licensed by the
89 commission that owns, rents, or leases and services or maintains video
90 lottery game terminals for placement in licensed video lottery retailer

91 establishments;

92 (12) "Video lottery game retailer", a person meeting the
93 requirements of a lottery game retailer under section 313.260,
94 possessing a video lottery game retailer's license, and possessing a
95 license to sell liquor with whom a licensed video lottery game operator
96 has contracted for the placement of a video lottery game terminal or
97 terminals;

98 (13) "Video lottery game terminal", player-activated terminal that
99 exchanges coins, currency, tickets, ticket vouchers or other electronic
100 payment methods approved by the commission for video lottery game
101 terminal credits used to play video lottery games approved by the
102 commission. Such video lottery game terminals shall use a video
103 display and microprocessor capable of randomly generating the
104 outcome of video lottery games and be capable of printing a ticket at
105 the conclusion of any video lottery game play that is redeemable at a
106 video lottery game ticket redemption terminal or reinserted into a
107 video lottery game terminal for video lottery game credit. All video
108 lottery games approved by the commission for play on a video lottery
109 game terminal shall have a minimum theoretical payout of eighty-five
110 percent;

111 (14) "Video lottery game terminal credit", one cent, five cents, ten
112 cents, or twenty-five cents either won or purchased by a player on a
113 video lottery game terminal that is used to play video lottery games
114 and that may be converted into a video lottery game ticket;

115 (15) "Video lottery game ticket" or "ticket", a document printed
116 at the conclusion of any lottery game play or group of plays on a video
117 lottery game terminal that is redeemable for cash utilizing a video
118 lottery game ticket redemption terminal or that may be reinserted into
119 a video lottery game terminal in the establishment for which it was
120 issued for video lottery terminal game play credit;

121 (16) "Video lottery game ticket redemption terminal", the
122 collective hardware, software, communications technology, and other
123 ancillary equipment used to facilitate the payment of tickets cashed out
124 by players as a result of playing a video lottery game terminal.

313.429. 1. The commission shall implement a system of video
2 lottery game terminals utilizing a licensing structure for processing
3 license applications and issuing licenses to video lottery game

4 manufacturers, video lottery game distributors, video lottery game
5 operators, video lottery game handlers, and video lottery game retailers
6 for the conduct of lottery games utilizing video lottery game terminals
7 within the state; except that, a person licensed as a:

8 **(1) Video lottery game manufacturer or a video lottery game**
9 **distributor shall not be issued a license as a video lottery game**
10 **operator or a video lottery game retailer;**

11 **(2) Video lottery game operator shall not be issued a license as**
12 **a video lottery game manufacturer, a video lottery game distributor, or**
13 **video lottery game retailer; and**

14 **(3) Video lottery game retailer shall not be issued a license as a**
15 **video lottery game manufacturer, a video lottery game distributor, or**
16 **video lottery game operator.**

17 Nothing in this subsection shall prevent a video lottery game
18 manufacturer from obtaining a video lottery game manufacturer's
19 license and a video lottery game distributor's license and providing and
20 operating the centralized computer system for monitoring video lottery
21 game terminals.

22 **2. Under no circumstances shall the commission:**

23 **(1) Authorize or allow a single vendor or licensee to implement**
24 **the system of video lottery game terminals created under this section;**
25 **or**

26 **(2) Allow a single licensed video lottery game operator to control**
27 **or operate more than twenty-five percent of video lottery game**
28 **terminals in the state.**

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

41 after such terminal or terminals have been approved by the
42 commission. A vendor that provides the centralized computer system
43 authorized under this subsection shall not be eligible to be licensed as
44 a video lottery game operator or video lottery game retailer. The
45 commission may impose an initial nonrefundable license application fee
46 as follows:

47 (a) For video lottery game manufacturers, video lottery game
48 distributors, and video lottery game operators, no more than fifty
49 thousand dollars;

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

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

54 (2) The initial license and first subsequent license renewal shall
55 be for a period of one year. Thereafter, license renewal periods shall
56 be four years with the applicable annual renewal fee paid for each year
57 such license is renewed. Annual license renewal fees for anyone
58 licensed pursuant to this subsection shall be as follows:

59 (a) Five thousand dollars for video lottery game manufacturers
60 and video lottery game distributors;

61 (b) Five thousand dollars for video lottery game operators;

62 (c) Fifty dollars for video lottery game handlers; and

63 (d) Five hundred dollars for each video lottery game retailer's
64 establishment.

65 (3) In addition to the license fees required in subdivisions (1)
66 and (2) of this subsection, video lottery game operators shall pay the
67 commission an annual license fee of two hundred dollars for each video
68 lottery game terminal placed in service. Such video lottery game
69 terminal license shall be renewed each year and cost two hundred
70 dollars. A license issued under this subsection is nontransferable.

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

75 4. No license shall be issued to any person, and no person shall
76 be allowed to serve as a sales agent, who has been convicted of a felony
77 or a crime involving illegal gambling.

78 5. No license requirement, sticker fee, or tax shall be imposed by
79 any local jurisdiction upon a video lottery game manufacturer, video
80 lottery game distributor, video lottery game operator, video lottery
81 game retailer, video lottery game handler, or video lottery game
82 terminal or an establishment relating to the operation of video lottery
83 games, video lottery game terminals, or associated equipment.

84 6. (1) Video lottery game terminals shall meet independent
85 testing standards approved by the commission, as tested by one or more
86 approved independent test labs, and be capable of randomly generating
87 the outcome of video lottery games approved by the commission. Video
88 lottery game terminals shall be capable of printing a ticket redeemable
89 for winning video lottery game plays. Such video lottery game
90 terminals shall be inspected and approved by the commission prior to
91 being sold, leased, or transferred.

92 (2) Licensed video lottery game manufacturers may buy, sell, or
93 lease new or refurbished video lottery game terminals to and from
94 licensed video lottery game distributors.

95 (3) Licensed video lottery game distributors may buy, sell, or
96 lease new or refurbished video lottery game terminals to or from
97 licensed video lottery game manufacturers or licensed video lottery
98 game operators.

99 7. (1) Licensed video lottery game operators:

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

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

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

105 (d) Shall pay winning tickets using a video lottery game ticket
106 redemption terminal. Such video lottery ticket redemption terminal
107 shall be located within the video lottery game retailer's establishment
108 in direct proximity of where such video lottery games are
109 offered. Video lottery game operators shall pay the commission
110 thirty-two percent of any unclaimed cash prize associated with a
111 winning ticket that has not been redeemed within one year of issue.

112 Rents or leases for video lottery game terminals shall be written at a
113 flat rate and shall not include revenue splitting as a method used in the
114 calculation of the lease or rent.

115 **(2) Licensed video lottery game operators and licensed video**
116 **lottery game retailers shall enter into a written agreement for the**
117 **placement of video lottery game terminals. The agreement shall be on**
118 **a form approved by the commission and shall specify an equal division**
119 **of adjusted gross receipts between the video lottery game operator and**
120 **the video lottery game retailer after adjustments for taxes and**
121 **administrative fees are made. A video lottery game operator shall be**
122 **responsible for remitting to the commission and the video lottery game**
123 **retailer its share of adjusted gross receipts. Nothing in this subdivision**
124 **shall prohibit a licensed video lottery game operator from entering into**
125 **an agreement with a sales agent for retailer agreements provided such**
126 **agreement is in writing and approved by the commission. Video lottery**
127 **game operators and their sales agents and affiliates and video lottery**
128 **game retailers are specifically prohibited from offering anything of**
129 **value, other than the percentage of adjusted gross receipts provided**
130 **under this subsection, for the initial or continued placement of video**
131 **lottery game terminals. An agreement for the placement of video**
132 **lottery game terminals, or any similar agreement, entered into prior to**
133 **the enactment of sections 313.425 to 313.437 shall be invalid and**
134 **unenforceable. Persons violating this subdivision are subject to the**
135 **loss or prohibition of their video lottery game operator's license.**

136 **(3) To combat problem gambling, video lottery game operators**
137 **shall allow players to be self-excluded from video lottery game**
138 **play. Operators shall provide the commission with a list of players that**
139 **have elected to be excluded from video lottery game play within thirty**
140 **days of such election and shall update such list periodically as required**
141 **by the commission. Such self-excluded list shall be considered**
142 **confidential information and shall not be released to the public. The**
143 **commission shall issue such self-exclusion procedures by rule.**

144 **(4) Nothing in this section shall be construed to prevent a video**
145 **lottery game operator or a video lottery retailer from using a player**
146 **rewards system as approved by the commission. No player shall be**
147 **required to enroll in a rewards program offered by a video lottery game**
148 **operator or video lottery game retailer as a condition to play video**
149 **lottery games.**

150 **8. No licensed video lottery game operator shall:**

151 **(1) Offer video lottery gaming terminals that directly dispense**

152 anything of value except for tickets for winning plays. Tickets shall be
153 dispensed by pressing the ticket dispensing button on the video lottery
154 gaming terminal at the end of any video lottery game play. The ticket
155 shall indicate the total amount of video lottery game terminal credits
156 and the cash award, the time of day in a 24-hour format showing hours
157 and minutes, the date, the terminal serial number, the sequential
158 number of the ticket, and an encrypted validation number from which
159 the validity of the prize may be determined. The cost of the video
160 lottery game terminal credits shall be one cent, five cents, ten cents, or
161 twenty-five cents, and the maximum wager played per video lottery
162 game shall not exceed five dollars. No cash award for the maximum
163 wager played on any individual video lottery game shall exceed one
164 thousand dollars;

165 (2) Operate in a retail establishment that is not also licensed to
166 sell liquor, except if the business of the establishment is a truck stop
167 where any state or local ordinance prohibits the sale of intoxicating
168 liquor;

169 (3) Operate more than five video lottery game terminals at one
170 video lottery game retailer establishment; except if the establishment
171 is a veterans' organization, fraternal organization, or truck stop, such
172 establishment may operate up to ten video lottery game terminals as
173 approved by the commission;

174 (4) Advertise video lottery games outside of a licensed video
175 lottery game retailer's establishment through any media outlets or
176 direct mail or telephone solicitations. The advertising prohibition
177 contained in this subdivision shall apply to all licensees including, but
178 not limited to, video lottery game manufacturers, video lottery game
179 distributors, video lottery game operators, video lottery game retailers,
180 and video lottery game handlers, except that a video lottery retailer
181 may participate in an advertising program that is promoted through
182 and sponsored by the state lottery and may advertise in or on the
183 outside of the establishment's building and parking lot;

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

186 9. (1) A person under twenty-one years of age shall not play
187 video lottery games, and such video lottery game terminals shall be
188 under the supervision of a person that is at least twenty-one years of

189 age to prevent persons under twenty-one years of age from playing
190 video lottery games. Video lottery game terminals shall not be visible
191 from areas normally occupied by minors and shall be placed within the
192 unobstructed line of sight of the sales counter unless placed in an
193 enclosed or partially enclosed area that is continually monitored by
194 video surveillance. A warning sign shall be posted in a conspicuous
195 location where such video lottery game terminals are located,
196 containing in red lettering at least one-half inch high on a white
197 background the following:

198 "YOU MUST BE AT LEAST 21 YEARS OF AGE TO PLAY VIDEO
199 LOTTERY GAMES"

200 In addition to the placement and supervision requirements of this
201 subsection, a video lottery game operator shall provide video
202 surveillance in the immediate area of the video lottery game retailer's
203 establishment where video lottery game terminals are
204 located. Recorded video from such surveillance system shall be made
205 available to the commission upon request and shall be reviewed by
206 video lottery game operators as reasonably and specifically requested
207 by the commission for any violation of law, rules or regulations
208 governing the conduct of video lottery games. A video lottery game
209 operator that fails to review such surveillance video and report any
210 known violation of law, rules or regulations governing the conduct of
211 video lottery games in conformance with established commission
212 procedures may be subject to an administrative fine not to exceed five
213 thousand dollars. Any video lottery game retailer that fails to report
214 any known violation of law, rules or regulations governing the conduct
215 of video lottery games in conformance with established commission
216 procedures may be subject to an administrative fine not to exceed five
217 thousand dollars. In the event a video lottery game operator or retailer
218 is found to have knowingly committed a violation governing the
219 conduct of video lottery games the commission may impose an
220 administrative fine not to exceed five thousand dollars, suspend such
221 operator's or retailer's license for up to thirty days, or in the case of
222 repeated violations revoke such operator's or retailer's license for a
223 period of one year. Any video lottery game operator or retailer
224 aggrieved by the commission's decision in any disciplinary action that
225 results in the suspension or revocation of such operator's or retailer's

226 video lottery game license may appeal such decision by filing an action
227 in circuit court. The commission shall refer a violation of the criminal
228 code, with any evidence thereof, to the appropriate law enforcement
229 officials. Video lottery game retailers shall provide an intrusion
230 detection system capable of detecting unauthorized entrance of the
231 video lottery game retailer's establishment during nonbusiness hours
232 and shall report to the commission any unauthorized entrance of the
233 video lottery game retailer's establishment. Such surveillance and
234 intrusion detection system shall meet specifications as defined by the
235 commission.

236 (2) A video lottery game operator shall post a sign in a
237 conspicuous location where such video lottery game terminals are
238 located, containing in red lettering at least one-half inch high on a
239 white background a telephone contact number (1-800-BETSOFF) for the
240 problem gambling helpline.

241 10. (1) Video lottery game operators shall pay the commission
242 thirty-six percent of the video lottery game adjusted gross receipts,
243 which shall be deposited in the state lottery fund. The commission
244 shall transfer the amount received from the operator from the lottery
245 fund to the lottery proceeds fund after administrative expenses equal
246 to four percent of the video lottery game adjusted gross receipts are
247 paid to the municipality where a licensed video lottery game retailer
248 maintains an establishment licensed for the operation of video lottery
249 game terminals, or if such licensed establishment is not located within
250 the corporate boundaries of a municipality, then the county where such
251 licensed establishment is located to reimburse such municipality or
252 county for administrative expenses, and any administrative expenses
253 for the commission that are not covered by reimbursements from
254 operators are deducted. Net proceeds transferred to the lottery
255 proceeds fund shall be appropriated to public elementary and
256 secondary education and public institutions of higher education with
257 an emphasis on programs to promote science, technology, engineering,
258 and mathematics (STEM) and programs to promote workforce
259 development.

260 (2) Video lottery game operators shall retain sixty-four percent
261 of the video lottery game adjusted gross receipts, a portion of which
262 shall be utilized to pay for administrative expenses which shall include

263 the cost of the centralized computer system, which cost shall be paid
264 by video lottery game operators in proportion to the number of video
265 lottery game terminals operated. Fifty percent of the costs of the
266 centralized computer system shall be apportioned by the video lottery
267 game operator among video lottery game retailers to which it provides
268 operations based on the number of video lottery game terminals located
269 at the video lottery game retailer's establishment. The remainder, after
270 the cost of the centralized computer system are paid and apportioned,
271 shall be divided equally between the video lottery game operator and
272 video lottery game retailer as agreed under subdivision (2) of
273 subsection 6 of this section.

274 11. All revenues received by the commission from license fees
275 and any reimbursements associated with the administration of the
276 provisions of sections 313.425 to 313.437, and all interest earned
277 thereon, shall be considered administrative expenses and shall be
278 deposited in the state lottery fund. Moneys deposited into the state
279 lottery fund from license fees and any reimbursements of commission
280 administrative expenses to administer sections 313.425 to 313.437 shall
281 be considered administrative expenses and shall not be considered net
282 proceeds pursuant to Article III, Section 39(b) of the Missouri
283 Constitution. Subject to appropriation, up to one percent of such
284 license fees and reimbursements deposited to the credit of the state
285 lottery fund may be deposited to the credit of the compulsive gamblers
286 fund created under section 313.842. The remainder of the money
287 deposited in the state lottery fund from video lottery game license fees
288 and any reimbursements of commission administrative expenses to
289 enforce sections 313.425 to 313.437 shall, subject to appropriation, be
290 used for administrative expenses associated with supervising and
291 enforcing the provisions of sections 313.425 to 313.437.

292 12. The commission may contract with a state law enforcement
293 entity to assist in conducting investigations into applicants for any
294 video lottery game license and to investigate violations by any video
295 lottery game licensee of any of the provisions of sections 313.425 to
296 313.437 or state law regulating illegal gambling activities. A video
297 lottery game licensee suspected of a violation shall be afforded an
298 administrative hearing on the record and any action taken to impose
299 a fine on such licensee, or to suspend or revoke the ability of a licensee

300 to offer lottery game products for sale, shall be appealed to the
301 commission. Any such administrative suspension or revocation upheld
302 by the commission may be appealed by the video lottery game licensee
303 in a state court of competent jurisdiction.

304 13. The possession or use of any video lottery game terminal not
305 authorized by the commission under the provisions of sections 313.425
306 to 313.437 may be prosecuted under the provisions of chapter 572. The
307 commission shall have the power to investigate suspected violations by
308 any video lottery license holder and to refer any violations or
309 suspected violations to the appropriate law enforcement authority.

310 14. The commission shall adopt rules for the implementation of
311 the video lottery game system authorized under sections 313.425 to
312 313.437, including, but not limited to, the placement of video lottery
313 terminals within a retail establishment and for the active oversight of
314 the conduct of video lottery games. Any rule or portion of a rule, as
315 that term is defined in section 536.010 that is created under the
316 authority delegated in this section shall become effective only if it
317 complies with and is subject to all of the provisions of chapter 536, and,
318 if applicable, section 536.028. This section and chapter 536 are
319 nonseverable and if any of the powers vested with the general assembly
320 pursuant to chapter 536, to review, to delay the effective date, or to
321 disapprove and annul a rule are subsequently held unconstitutional,
322 then the grant of rulemaking authority and any rule proposed or
323 adopted after August 28, 2019, shall be invalid and void.

313.431. 1. In order to expedite the orderly implementation of
2 the video lottery game system authorized under sections 313.425 to
3 313.437, the commission shall:

4 (1) Issue a request for proposal for the supply and operation of
5 a centralized computer system for video lottery games within one
6 hundred twenty days of the effective date of this section;

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

14 **(3) Issue a provisional license to an applicant for a video lottery**
15 **game manufacturer's, video lottery game distributor's, video lottery**
16 **game operator's, video lottery game retailer's, or video lottery game**
17 **handler's license if such applicant satisfies all of the following criteria**
18 **to the satisfaction of the commission:**

19 **(a) The applicant is current on all state taxes;**

20 **(b) The applicant has submitted a complete application for**
21 **licensure as a licensed video lottery game manufacturer, video lottery**
22 **game distributor, video lottery game operator, video lottery game**
23 **retailer, or video lottery game handler, which shall be submitted**
24 **concurrently with the applicant's request for a provisional license;**

25 **(c) The applicant has never been convicted of any felony or**
26 **gambling law violation in any jurisdiction; and**

27 **(d) The applicant for a video lottery game retailer's license has**
28 **been issued and holds a valid license to sell liquor under chapter 311.**
29 **A provisional license shall be issued by the commission within sixty**
30 **days from the date on which the application was first received unless**
31 **the commission shows cause that the license application is deficient or**
32 **such applicant does not meet the criteria for licensure.**

33 **2. The commission may issue provisional licenses prior to the**
34 **completion of a background check to an applicant that is currently**
35 **licensed under sections 313.200 to 313.437 or sections 313.800 to 313.850;**
36 **holds or is an affiliate of any entity that holds a license in good**
37 **standing from a regulatory body of another state to operate, handle, or**
38 **maintain video gaming terminals or video lottery game terminals that**
39 **are substantially similar to video lottery game terminals authorized**
40 **under sections 313.425 to 313.437; or if such person has been in the**
41 **business of locating and operating amusement games within this state**
42 **continuously for a period of five years.**

43 **3. A provisional license shall be valid until:**

44 **(1) The commission either approves or denies the applicant's**
45 **application for licensure;**

46 **(2) The provisional license is terminated for a violation of this**
47 **section; or**

48 **(3) One calendar year has passed since the provisional license**
49 **was issued.**

50 **Nothing in this section shall prohibit an applicant for a video lottery**

51 game manufacturer's, video lottery game distributor's, video lottery
52 game operator's, video lottery game retailer's, or video lottery game
53 handler's license from applying for a renewal of the provisional license
54 issued under this section so long as the commission has not made a
55 final determination to award or deny the applicant a license.

56 4. Each applicant shall attest by way of affidavit under penalty
57 of perjury that the applicant is not otherwise prohibited from licensure
58 according to the requirements of this section.

59 5. All requests for provisional licensure under this section shall
60 include the following fee, which is in addition to the applicable fee
61 required for an application for licensure and shall be retained by the
62 commission:

63 (1) Five thousand dollars for a video lottery game manufacturer
64 and video lottery game distributor;

65 (2) Five thousand dollars for a video lottery game operator;

66 (3) Five hundred dollars for a video lottery game retailer's
67 establishment; or

68 (4) One hundred dollars for a video lottery game handler.

313.433. 1. Notwithstanding any other provision of law to the
2 contrary, participation by a person, firm, corporation, or organization
3 in any aspect of the state lottery under sections 313.425 to 313.437 shall
4 not be construed to be a lottery or gift enterprise in violation of section
5 39 of article III of the Constitution of Missouri.

6 2. The sale of lottery tickets, shares, or lottery game plays using
7 a video lottery game terminal under sections 313.425 to 313.437 shall
8 not constitute a valid reason to refuse to issue or renew or to revoke or
9 suspend any license or permit issued under the provisions of chapter
10 311.

313.435. A municipality may adopt an ordinance prohibiting
2 video lottery game terminals within the corporate limits of such
3 municipality within one hundred twenty days from the effective date
4 of this act. A county commission may, for the unincorporated area of
5 the county, adopt an ordinance prohibiting video lottery game
6 terminals within the unincorporated area of the county within one
7 hundred twenty days from the effective date of this act. The
8 commission shall not license video lottery game retailers within such
9 area covered by such ordinance. Any such municipality or county that

10 has opted to prohibit the use of video lottery game terminals to play
11 video lottery games may repeal such ordinance and upon such repeal
12 the commission may license video lottery game retailers within such
13 municipality or county to conduct video lottery games.

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

Unofficial ✓

Bill

Copy