

SECOND REGULAR SESSION

SENATE BILL NO. 936

100TH GENERAL ASSEMBLY

INTRODUCED BY SENATOR MAY.

Read 1st time January 28, 2020, and ordered printed.

ADRIANE D. CROUSE, Secretary.

4994S.02I

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 313.360, 313.425, 313.427, 313.429, 313.431, 313.433, and 313.435, to read as follows:

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

313.425. Sections 313.425 to 313.435 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 313.435, 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

13 in this state by a person licensed as a video lottery game retailer that
14 is or becomes licensed under chapter 311 to sell liquor at retail, and
15 that is one or more of the following:

16 (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 game**
91 **retailer 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, and with whom a licensed video lottery game**
96 **operator has contracted for the placement of a video lottery game**
97 **terminal or terminals, provided the video lottery game retailer and**
98 **video lottery game operator do not have identical ownership;**

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

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

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

122 **(16) "Video lottery game ticket redemption terminal", the**
123 **collective hardware, software, communications technology, and other**

124 ancillary equipment used to facilitate the payment of tickets cashed out
125 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 or a video lottery game distributor;
13 and

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

16 Nothing in this subsection shall prevent a video lottery game
17 manufacturer from obtaining a video lottery game manufacturer's
18 license and a video lottery game distributor's license and providing and
19 operating the centralized computer system for monitoring video lottery
20 game terminals, and nothing in this subsection shall prevent a video
21 lottery game operator from obtaining a video lottery game retailer's
22 license or a video lottery game retailer from obtaining a video lottery
23 game operator's license, provided the applicant meets the requirements
24 for all such licenses.

25 2. Under no circumstances shall the commission:

26 (1) Authorize or allow a single vendor or licensee to implement
27 the system of video lottery game terminals created under this section;
28 or

29 (2) Allow a single licensed video lottery game operator to control
30 or operate more than twenty-five percent of video lottery game
31 terminals in the state.

32 3. (1) The video lottery game system authorized by this section
33 shall allow for multiple video lottery game manufacturers, video lottery
34 game distributors, and video lottery game operators to encourage
35 private sector investment and job opportunities for Missouri

36 citizens. Video lottery game terminals shall be connected to a
37 centralized computer system developed or procured by the
38 commission. The commission shall provide licensed video lottery game
39 operators with the necessary protocols to connect the operators' video
40 lottery game terminal or terminals to the centralized computer system
41 after such terminal or terminals have been approved by the
42 commission. No video lottery game terminal shall be placed in
43 operation without first connecting to the centralized computer system
44 after such terminal or terminals have been approved by the
45 commission. A vendor that provides the centralized computer system
46 authorized under this subsection shall not be eligible to be licensed as
47 a video lottery game operator or video lottery game retailer. The
48 commission may impose an initial nonrefundable license application fee
49 as follows:

50 (a) For video lottery game manufacturers, video lottery game
51 distributors, and video lottery game operators, no more than fifty
52 thousand dollars;

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

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

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

62 (a) Five thousand dollars for video lottery game manufacturers
63 and video lottery game distributors;

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

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

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

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

73 dollars. A license issued under this subsection is nontransferable.

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

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

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

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

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

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

102 7. (1) Licensed video lottery game operators:

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

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

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

108 (d) Shall pay winning tickets using a video lottery game ticket
109 redemption terminal. Such video lottery ticket redemption terminal

110 shall be located within the video lottery game retailer's establishment
111 in direct proximity of where such video lottery games are
112 offered. Video lottery game operators shall pay the commission
113 thirty-two percent of any unclaimed cash prize associated with a
114 winning ticket that has not been redeemed within one year of issue.

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

118 (2) Licensed video lottery game operators and licensed video
119 lottery game retailers shall enter into a written agreement for the
120 placement of video lottery game terminals. The agreement shall be on
121 a form approved by the commission and shall specify the division of
122 adjusted gross receipts between the video lottery game operator and
123 the video lottery game retailer after adjustments for taxes and
124 administrative fees are made. A video lottery game operator shall be
125 responsible for remitting to the commission and the video lottery game
126 retailer its share of adjusted gross receipts. Video lottery game
127 retailers that are also video lottery game operators and licensed video
128 lottery game operators that are also video lottery game retailers shall
129 only be required to submit an agreement pursuant to this subdivision
130 if the ownership is not identical in both entities. Nothing in this
131 subdivision shall prohibit a licensed video lottery game operator from
132 entering into an agreement with a sales agent for retailer agreements
133 provided such agreement is in writing and approved by the
134 commission. No video lottery game operator or its sales agents,
135 employees, or affiliates may offer, promise, or tender any property or
136 personal advantage to any employee or agent of any video lottery game
137 retailer with the intent to influence such video lottery game retailer
138 with respect to locating any video gaming terminal in the video lottery
139 game retailer's establishment. Video lottery game operators and video
140 game lottery retailers may allocate costs related to the operation,
141 promotion, and maintenance of video lottery game terminals in any
142 manner that has been mutually agreed to. An agreement for the
143 placement of video lottery game terminals, or any similar agreement,
144 entered into prior to the enactment of sections 313.425 to 313.435 shall
145 be invalid and unenforceable. Persons violating this subdivision are
146 subject to the loss or prohibition of their video lottery game operator's

147 license.

148 (3) Nothing in this section shall be construed to prevent a video
149 lottery game operator or a video lottery retailer from using a player
150 rewards system as approved by the commission. No player shall be
151 required to enroll in a rewards program offered by a video lottery game
152 operator or video lottery game retailer as a condition to play video
153 lottery games.

154 8. No licensed video lottery game operator shall:

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

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

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

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

180 9. (1) A person under twenty-one years of age shall not play
181 video lottery games, and such video lottery game terminals shall be
182 under the supervision of a person that is at least twenty-one years of
183 age to prevent persons under twenty-one years of age from playing

184 video lottery games. Video lottery game terminals shall not be visible
185 from areas normally occupied by minors and shall be placed within the
186 unobstructed line of sight of the sales counter unless placed in an
187 enclosed or partially enclosed area that is continually monitored by
188 video surveillance. A warning sign shall be posted in a conspicuous
189 location where such video lottery game terminals are located,
190 containing in red lettering at least one-half inch high on a white
191 background the following:

192 **"YOU MUST BE AT LEAST 21 YEARS OF AGE TO PLAY**
193 **VIDEO LOTTERY GAMES"**

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

221 in circuit court. The commission shall refer a violation of the criminal
222 code, with any evidence thereof, to the appropriate law enforcement
223 officials. Video lottery game retailers shall provide an intrusion
224 detection system capable of detecting unauthorized entrance of the
225 video lottery game retailer's establishment during nonbusiness hours
226 and shall report to the commission any unauthorized entrance of the
227 video lottery game retailer's establishment. Such surveillance and
228 intrusion detection system shall meet specifications as defined by the
229 commission.

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

235 10. (1) Video lottery game operators shall pay the commission
236 thirty-six percent of the video lottery game adjusted gross receipts,
237 which shall be deposited in the state lottery fund. The commission
238 shall transfer the amount received from the operator from the lottery
239 fund to the lottery proceeds fund after administrative expenses equal
240 to four percent of the video lottery game adjusted gross receipts are
241 paid to the municipality where a licensed video lottery game retailer
242 maintains an establishment licensed for the operation of video lottery
243 game terminals, or if such licensed establishment is not located within
244 the corporate boundaries of a municipality, then the county where such
245 licensed establishment is located to reimburse such municipality or
246 county for administrative expenses, and any administrative expenses
247 for the commission that are not covered by reimbursements from
248 operators are deducted. Net proceeds transferred to the lottery
249 proceeds fund shall be appropriated to public elementary and
250 secondary education and public institutions of higher education with
251 an emphasis on programs to promote science, technology, engineering,
252 and mathematics (STEM) and programs to promote workforce
253 development.

254 (2) Video lottery game operators shall retain sixty-four percent
255 of the video lottery game adjusted gross receipts, a portion of which
256 shall be utilized to pay for administrative expenses which shall include
257 the cost of the centralized computer system, which cost shall be paid

258 by video lottery game operators in proportion to the number of video
259 lottery game terminals operated and shall not be apportioned by the
260 video lottery game operator among video lottery game retailers to
261 which it provides operations. The remainder, after the cost of the
262 centralized computer system are paid, shall be divided between the
263 video lottery game operator and video lottery game retailer as agreed
264 to by the video lottery game operator and video lottery game retailer
265 under the freely negotiated agreement made under subdivision (2) of
266 subsection 7 of this section.

267 11. All revenues received by the commission from license fees
268 and any reimbursements associated with the administration of the
269 provisions of sections 313.425 to 313.435, and all interest earned
270 thereon, shall be considered administrative expenses and shall be
271 deposited in the state lottery fund. Moneys deposited into the state
272 lottery fund from license fees and any reimbursements of commission
273 administrative expenses to administer sections 313.425 to 313.435 shall
274 be considered administrative expenses and shall not be considered net
275 proceeds pursuant to Article III, Section 39(b) of the Missouri
276 Constitution. Subject to appropriation, up to one percent of such
277 license fees and reimbursements deposited to the credit of the state
278 lottery fund may be deposited to the credit of the compulsive gamblers
279 fund created under section 313.842. The remainder of the money
280 deposited in the state lottery fund from video lottery game license fees
281 and any reimbursements of commission administrative expenses to
282 enforce sections 313.425 to 313.435 shall, subject to appropriation, be
283 used for administrative expenses associated with supervising and
284 enforcing the provisions of sections 313.425 to 313.435.

285 12. The commission may contract with a state law enforcement
286 entity to assist in conducting investigations into applicants for any
287 video lottery game license and to investigate violations by any video
288 lottery game licensee of any of the provisions of sections 313.425 to
289 313.435 or state law regulating illegal gambling activities. A video
290 lottery game licensee suspected of a violation shall be afforded an
291 administrative hearing on the record and any action taken to impose
292 a fine on such licensee, or to suspend or revoke the ability of a licensee
293 to offer lottery game products for sale, shall be appealed to the
294 commission. Any such administrative suspension or revocation upheld

295 by the commission may be appealed by the video lottery game licensee
296 in a state court of competent jurisdiction.

297 13. The possession or use of any video lottery game terminal not
298 authorized by the commission under the provisions of sections 313.425
299 to 313.435 may be prosecuted under the provisions of chapter 572. The
300 commission shall have the power to investigate suspected violations by
301 any video lottery license holder and to refer any violations or
302 suspected violations to the appropriate law enforcement authority.

303 14. The commission shall adopt rules for the implementation of
304 the video lottery game system authorized under sections 313.425 to
305 313.435, including, but not limited to, the placement of video lottery
306 terminals within a retail establishment and for the active oversight of
307 the conduct of video lottery games. Any rule or portion of a rule, as
308 that term is defined in section 536.010 that is created under the
309 authority delegated in this section shall become effective only if it
310 complies with and is subject to all of the provisions of chapter 536 and,
311 if applicable, section 536.028. This section and chapter 536 are
312 nonseverable and if any of the powers vested with the general assembly
313 pursuant to chapter 536, to review, to delay the effective date, or to
314 disapprove and annul a rule are subsequently held unconstitutional,
315 then the grant of rulemaking authority and any rule proposed or
316 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
3 313.435, 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 313.435 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 313.435 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 313.435; 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 313.435 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 313.435 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.**

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Unofficial

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