

SECOND REGULAR SESSION

SENATE BILL NO. 793

96TH GENERAL ASSEMBLY

INTRODUCED BY SENATOR MUNZLINGER.

Read 1st time February 15, 2012, and ordered printed.

TERRY L. SPIELER, Secretary.

5854S.02I

AN ACT

To repeal sections 313.321 and 313.835, RSMo, and to enact in lieu thereof two new sections relating to the gaming moneys.

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

Section A. Sections 313.321 and 313.835, RSMo, are repealed and two new
2 sections enacted in lieu thereof, to be known as sections 313.321 and 313.835, to
3 read as follows:

313.321. 1. The money received by the Missouri state lottery commission
2 from the sale of Missouri lottery tickets and from all other sources shall be
3 deposited in the "State Lottery Fund", which is hereby created in the state
4 treasury. At least forty-five percent, in the aggregate, of the money received from
5 the sale of Missouri lottery tickets shall be appropriated to the Missouri state
6 lottery commission and shall be used to fund prizes to lottery players. **At least**
7 **thirty-two percent, in the aggregate, of the money received from the**
8 **sale of lottery tickets shall be appropriated to education, with twenty-**
9 **seven percent to general education and five percent to early childhood**
10 **development.** Amounts in the state lottery fund may be appropriated to the
11 Missouri state lottery commission for administration, advertising, promotion, and
12 retailer compensation. The general assembly shall appropriate remaining moneys
13 not previously allocated from the state lottery fund by transferring such moneys
14 to the general revenue fund. The lottery commission shall make monthly
15 transfers of moneys not previously allocated from the state lottery fund to the
16 general revenue fund as provided by appropriation.

17 2. The commission may also purchase and hold title to any securities
18 issued by the United States government or its agencies and instrumentalities

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

19 thereof that mature within the term of the prize for funding multi-year payout
20 prizes.

21 3. The "Missouri State Lottery Imprest Prize Fund" is hereby
22 created. This fund is to be established by the state treasurer and funded by
23 warrants drawn by the office of administration from the state lottery fund in
24 amounts specified by the commission. The commission may write checks and
25 disburse moneys from this fund for the payment of lottery prizes only and for no
26 other purpose. All expenditures shall be made in accordance with rules and
27 regulations established by the office of administration. Prize payments may also
28 be made from the state lottery fund. Prize payouts made pursuant to this section
29 shall be subject to the provisions of section 143.781; and prize payouts made
30 pursuant to this section shall be subject to set off for delinquent child support
31 payments as assessed by a court of competent jurisdiction or pursuant to section
32 454.410. Prize payouts made under this section shall be subject to set off for
33 unpaid health care services provided by hospitals and health care providers under
34 the procedure established in section 143.790.

35 4. Funds of the state lottery commission not currently needed for prize
36 money, administration costs, commissions and promotion costs shall be invested
37 by the state treasurer in interest-bearing investments in accordance with the
38 investment powers of the state treasurer contained in chapter 30. All interest
39 earned by funds in the state lottery fund shall accrue to the credit of that fund.

40 5. No state or local sales tax shall be imposed upon the sale of lottery
41 tickets or shares of the state lottery or on any prize awarded by the state lottery.
42 No state income tax or local earnings tax shall be imposed upon any lottery game
43 prizes which accumulate to an amount of less than six hundred dollars during a
44 prize winner's tax year. The state of Missouri shall withhold for state income tax
45 purposes from a lottery game prize or periodic payment of six hundred dollars or
46 more an amount equal to four percent of the prize.

47 6. The director of revenue is authorized to enter into agreements with the
48 lottery commission, in conjunction with the various state agencies pursuant to
49 sections 143.782 to 143.788, in an effort to satisfy outstanding debts to the state
50 from the lottery winning of any person entitled to receive lottery payments which
51 are subject to federal withholding. The director of revenue is also authorized to
52 enter into agreements with the lottery commission in conjunction with the
53 department of health and senior services pursuant to section 143.790 in an effort
54 to satisfy outstanding debts owed to hospitals and health care providers for

55 unpaid health care services of any person entitled to receive lottery payments
56 which are subject to federal withholding.

57 7. In addition to the restrictions provided in section 313.260, no person,
58 firm, or corporation whose primary source of income is derived from the sale or
59 rental of sexually oriented publications or sexually oriented materials or property
60 shall be licensed as a lottery game retailer and any lottery game retailer license
61 held by any such person, firm, or corporation shall be revoked.

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

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

22 (2) The remaining net proceeds in the gaming commission fund for fiscal
23 year 1999 and each fiscal year thereafter shall be distributed as follows:

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

29 (b) The second three million dollar portion shall be transferred to the

30 veterans' commission capital improvement trust fund created in section 42.300;

31 (c) The third [three] **seven million five hundred thousand** dollar
32 portion shall be transferred to the Missouri national guard trust fund created in
33 section 41.214;

34 (d) Subject to appropriations, one hundred percent of remaining net
35 proceeds in the gaming commission fund [except as provided in paragraphs (e)
36 and (f) of this subdivision, and], after the appropriations **are** made pursuant to
37 the provisions of paragraphs (a), (b), and (c) of this subdivision, shall be
38 transferred to the [early childhood development, education and care fund created
39 in section 161.215;

40 (e) When the remaining net proceeds, as such term is used pursuant to
41 paragraph (d) of this subdivision, in the gaming commission fund annually
42 exceeds twenty-eight million dollars: one-half million dollars of such proceeds
43 shall be transferred annually, subject to appropriation, to the access Missouri
44 financial assistance fund, established pursuant to the provisions of sections
45 173.1101 to 173.1107; three million dollars of such proceeds shall be transferred
46 annually, subject to appropriation, to the veterans' commission capital
47 improvement trust fund; and one million dollars of such proceeds shall be
48 transferred annually, subject to appropriation, to the Missouri national guard
49 trust fund created in section 41.214;

50 (f) Beginning in fiscal year 2011 and each fiscal year thereafter when the
51 funding for early childhood education under paragraph (d) of this subdivision
52 equals the funding level for early childhood education under paragraph (d) of this
53 subdivision in fiscal year 2009, one-half of the next one million two hundred
54 thousand dollars of such proceeds shall be transferred annually, subject to
55 appropriation, to the veterans commission capital improvement trust fund for the
56 purpose of funding veterans' service officer programs identified under subdivision
57 (5) of subsection 1 of section 42.300, and the other half of the one million two
58 hundred thousand dollars shall be transferred annually, subject to appropriation,
59 to the early childhood development, education and care fund created in section
60 161.215] **veterans' commission capital improvement trust fund.**

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