FIRST REGULAR SESSION

SENATE BILL NO. 98

101ST GENERAL ASSEMBLY

INTRODUCED BY SENATOR HOSKINS.

0740S.021

ADRIANE D. CROUSE, Secretary

AN ACT

To repeal sections 313.230 and 313.800, RSMo, and to enact in lieu thereof twenty-six new sections relating to gaming, 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Section A. Sections 313.230 and 313.800, RSMo, are repealed and twenty-six new sections enacted in lieu thereof, to be known as sections 313.230, 313.425, 313.427, 313.429, 313.431, 313.433, 313.434, 313.435, 313.437, 313.800, 313.1000, 313.1002, 313.1003, 313.1004, 313.1006, 313.1008, 313.1010, 313.1012, 313.1014, 313.1016, 313.1018, 313.1019, 313.1020, 313.1021, 313.1022, and 313.1024, to read as follows:

313.230. The commission shall:

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

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

EXPLANATION-Matter enclosed in bold-faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law.
(b) The price, or prices, of tickets or shares including **electronically generated tickets or shares**, in the lottery;
(c) The numbers and sizes of the prizes on the winning tickets or shares;
(d) The manner of selecting the winning tickets or shares;
(e) The manner of payment of prizes to the holders of winning tickets or shares;
(f) The frequency of the drawings or selections of winning tickets or shares, without limitation;
(g) The types or numbers of locations at which tickets or shares may be sold and the method to be used in selling tickets or shares;
(h) The method to be used in selling tickets or shares;
(i) The licensing of lottery game retailers to sell tickets or shares;
(j) The manner and amount of compensation, including commissions, ticket discounts, incentives and any other remuneration, to be paid to or retained by lottery game retailers;
(k) The apportionment of the total revenues accruing from the sale of lottery tickets or shares and from all other sources among:
   a. The payment of prizes to the holders of winning tickets or shares;
   b. The payment of costs incurred in the operation and administration of the lottery, including the expenses of the commission and the costs resulting from any contract or contracts entered into for promotional, advertising or operational services or for the purchase or lease of lottery equipment and materials;
c. For the repayment to the general revenue fund of any amount appropriated for initial start-up of the lottery; and

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

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

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

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

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

[(5)] (6) Report to the governor and general assembly any matters which shall require immediate changes in the laws of this state in order to prevent abuses and evasions of sections 313.200 to 313.350 or rules and regulations promulgated thereunder or to rectify undesirable conditions.
in connection with the administration or operation of the lottery;

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

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

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) "Fraternal organization", any organization within this state operating under the lodge system which exists for the common benefit, brotherhood, or other interest of its members, except college fraternities and sororities, of which no part of the net earnings inures to the benefit of any private shareholder or any individual member of such organization, which has been exempted from the payment of federal income tax, and which derives its charter from a national fraternal organization which regularly meets;

(4) "Truck stop", a location that provides parking and is equipped for fueling commercial vehicles, that has sold on average ten thousand gallons of diesel or biodiesel fuel each month for the previous twelve months or is projected to sell an average of ten thousand gallons of diesel or biodiesel fuel each month for the next twelve months, that is situated on two acres or more of land that operates a convenience store and that obtains and maintains a lottery game retailer license issued by the commission to offer lottery games played on video lottery game terminals;

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

(6) "Video lottery game", any lottery game approved by the commission for play on an approved video lottery game terminal where the outcome of such game is determined randomly;

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

(8) "Video lottery game handler", a person employed by a licensed video lottery game operator and who is licensed by the commission to handle, place, operate, and service video lottery game terminals and associated equipment;

(9) "Video lottery game manufacturer" or "distributor", any person licensed by the commission that manufactures video lottery game terminals or major parts and components for video lottery game terminals as approved by the lottery commission for sale to licensed video lottery game operators, or a person licensed by the commission to distribute or service video lottery game terminals or major parts and components of video lottery game terminals including buying, selling, leasing, renting, or financing new, used, or refurbished video lottery game terminals to and from licensed video lottery game manufacturers and licensed video lottery game operators;

(10) "Video lottery game operator", a person licensed by the commission that owns, rents, or leases and services or maintains video lottery game terminals for placement in licensed video lottery retailer establishments;
(11) "Video lottery game retailer", a retail establishment meeting the requirements of a lottery game retailer under section 313.260, that secures and maintains a license to conduct video lottery games played on a video lottery game terminal or terminals and that is a fraternal organization, veterans organization, or truck stop; or any entity that secures and maintains a license to conduct video lottery games played on a video lottery game terminal or terminals and is licensed pursuant to chapter 311 to sell liquor, beer, or wine for on-premise consumption;

(12) "Video lottery game terminal", a player-activated terminal that exchanges coins, currency, tickets, ticket vouchers, or electronic payment methods approved by the commission for credit on such terminal used to play video lottery games approved by the commission. Such video lottery game terminals shall use a video display and microprocessor capable of randomly generating the outcome of such video lottery games and be capable of printing and issuing a ticket at the conclusion of any video lottery game play that may be redeemed at a video lottery game ticket redemption terminal or may be reinserted into a video lottery game terminal at the retail establishment where it was printed for video lottery game credit and game plays. All video lottery games approved by the commission for play on a video lottery game terminal shall have a minimum theoretical payout of eighty-five percent;

(13) "Video lottery game terminal credit", one cent, five cents, ten cents, or twenty-five cents either won or purchased by a player on a video lottery game terminal that may be used to play video lottery games and that may be converted into a video lottery game ticket;
(14) "Video lottery game ticket" or "ticket", a document printed at the conclusion of any video lottery game play or group of plays on a video lottery game terminal that is redeemable for cash utilizing a video lottery game ticket redemption terminal or that may be reinserted into a video lottery game terminal in the establishment from which such ticket is issued for video lottery game terminal credit;

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

313.429. 1. The commission shall implement a system of video lottery game terminals utilizing a licensing structure for processing license applications and issuing licenses to video lottery game manufacturers, video lottery game distributors, video lottery game operators, video lottery game handlers, and video lottery game retailers for the conduct of lottery games utilizing video lottery game terminals within the state; except that, a person licensed as a:

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

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

(3) Video lottery game retailer shall not be issued a license as a video lottery game manufacturer, a video lottery game distributor, or video lottery game operator.
Nothing in this subsection shall prevent a video lottery game manufacturer from obtaining a video lottery game manufacturer's license and a video lottery game distributor's license and providing and operating the centralized computer system for monitoring video lottery game terminals.

2. Under no circumstances shall the commission:
   (1) Authorize or allow a single vendor or licensee to implement the system of video lottery game terminals created under this section; or
   (2) Allow a single licensed video lottery game operator to control or operate more than twenty-five percent of video lottery game terminals in the state after December 31, 2026.

3. (1) The video lottery game system authorized by this section shall allow for multiple video lottery game manufacturers, video lottery game distributors, and video lottery game operators to encourage private sector investment and job opportunities for Missouri citizens. Video lottery game terminals shall be connected to a centralized computer system developed or procured by the commission. The commission shall provide licensed video lottery game operators with the necessary protocols to connect the operators' video lottery game terminal or terminals to the centralized computer system after such terminal or terminals have been approved by the commission. No video lottery game terminal shall be placed in operation without first connecting to the centralized computer system after such terminal or terminals have been approved by the commission. A vendor that provides the centralized computer system authorized under this subsection shall not be eligible to be licensed as a video lottery game operator or
video lottery game retailer. The commission may impose an initial nonrefundable license application fee to cover the cost of investigating the background of the licensee, including a criminal background check, as follows:

(a) For video lottery game manufacturers, video lottery game distributors, and video lottery game operators, no more than fifteen thousand dollars;

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

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

(2) The initial license shall be for a period of one year. Thereafter, license renewal periods shall be four years with the applicable annual renewal fee paid for each year of such license renewal in advance. Annual license renewal fees for anyone licensed pursuant to this subsection, and subsequent to the initial one-year period shall be as follows:

(a) Five thousand dollars for video lottery game manufacturers, video lottery game distributors, and video lottery game operators;

(b) Fifty dollars for video lottery game handlers; and

(c) Five hundred dollars for each video lottery game retailer's establishment.

(3) In addition to the license fees required in subdivisions (1) and (2) of this subsection, video lottery game operators shall pay the commission an annual license fee of two hundred dollars for each video lottery game terminal placed in service. Such video lottery game terminal license shall be renewed each year and cost two hundred dollars. A license issued under this subsection is nontransferable.
(4) Nothing in this subsection shall be construed to relieve the licensee of the affirmative duty to notify the commission of any change relating to the status of the license or to any other information contained in the application materials on file with the commission.

4. No license shall be issued to any person, and no person shall be allowed to serve as a sales agent, who has been convicted of a felony or a crime involving illegal gambling. Sales agents shall register with the commission and may not solicit or enter into any agreement with a retailer or retail establishment prior to such registration with the commission.

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

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

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

7. (1) Licensed video lottery game operators:

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

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

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

(d) Shall, notwithstanding the provisions of section 313.321 to the contrary, pay all video lottery game winnings using a video lottery game ticket redemption terminal. Such video lottery ticket redemption terminal shall be located within the video lottery game retailer's establishment in direct proximity of where such video lottery games are offered. Video lottery game operators shall pay the commission thirty-two percent of any unclaimed cash prize associated with a winning ticket that has not been redeemed within one hundred eighty days of issue.

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

(2) Licensed video lottery game operators and licensed video lottery game retailers shall enter into a written agreement for the placement of video lottery game terminals. The agreement shall be on a form approved by the
commission and shall specify an equal division of adjusted gross receipts between the video lottery game operator and the video lottery game retailer after adjustments for taxes and administrative fees are made. A video lottery game operator shall be responsible for remitting to the commission and the video lottery game retailer its share of adjusted gross receipts. Nothing in this subdivision shall prohibit a licensed video lottery game operator from entering into an agreement with a sales agent for retailer agreements provided such agreement is in writing and approved by the commission prior to beginning sales activities and prior to the start date established pursuant to section 313.431. Video lottery game operators and their sales agents and affiliates and video lottery game retailers are specifically prohibited from offering anything of value, other than the percentage of adjusted gross receipts provided under this subsection, or entering into an agreement with a retailer prior to the start date for the initial or continued placement of video lottery game terminals. Contract agreements entered into prior to the start date established pursuant to section 313.431 between a prospective video lottery game terminal operator or sales agent with a prospective video lottery game retailer shall be invalid. Persons violating this subdivision shall forfeit their right to a license to operate video lottery game terminals for a period of one year.

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

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

8. No licensed video lottery game operator shall:

(1) Offer video lottery gaming terminals that directly dispense anything of value except for tickets for winning plays. Tickets shall be dispensed by pressing the ticket dispensing button on the video lottery gaming terminal at the end of any video lottery game play. The ticket shall indicate the total amount of video lottery game terminal credits and the cash award, the time of day in a 24-hour format showing hours and minutes, the date, the terminal serial number, the sequential number of the ticket, and an encrypted validation number from which the validity of the prize may be determined. The cost of the video lottery game terminal credits shall be one cent, five cents, ten cents, or twenty-five cents, and the maximum wager played per video lottery game shall not exceed five dollars, with the payoff for a winning maximum wager for a single game play being no more than one thousand dollars;

(2) Operate more than ten video lottery game terminals per location on the premises of a fraternal organization, veterans organization, or truck stop that has secured and maintains a video lottery game retailer's license;
(3) Operate more than five video lottery game terminals per location on the premises of any business entity licensed as a video lottery game retailer establishment with a license issued pursuant to chapter 311 to sell liquor by the drink for on-premise consumption;

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

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

9. (1) A person under twenty-one years of age shall not play video lottery games, and such video lottery game terminals shall be under the supervision of a person that is at least twenty-one years of age to prevent persons under twenty-one years of age from playing video lottery games. Video lottery game terminals shall be placed in a fully enclosed room that is continually monitored by video surveillance and where access to persons under twenty-one years of age is denied by a procedure approved by the commission. A warning sign shall be posted in a conspicuous location where such video lottery game terminals are
located, containing in red lettering at least one-half inch high on a white background the following:

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

In addition to the placement and supervision requirements of this subsection, a video lottery game operator shall provide video surveillance in the immediate area of the video lottery game retailer's establishment where video lottery game terminals are located. Recorded video from such surveillance system shall be made available to the commission upon request and shall be reviewed by video lottery game operators as required by the commission for any violation of law, rules, or regulations governing the conduct of video lottery games. A video lottery game operator that fails to review such surveillance video and report any known violation of law, rules, or regulations governing the conduct of video lottery games in conformance with established commission procedures may be subject to an administrative fine not to exceed five thousand dollars. Any video lottery game retailer that fails to report any known violation of law, rules, or regulations governing the conduct of video lottery games in conformance with established commission procedures may be subject to an administrative fine not to exceed five thousand dollars. In the event a video lottery game operator or retailer is found to have knowingly committed a violation governing the conduct of video lottery games, the commission may impose an administrative fine not to exceed five thousand dollars, suspend such operator's or retailer's license for up to thirty days, or in the case of repeated violations revoke such operator's or retailer's license for a period of one
year. Any video lottery game operator or retailer aggrieved by the commission's decision in any disciplinary action that results in the suspension or revocation of such operator's or retailer's video lottery game license may appeal such decision by filing an action in circuit court. The commission shall refer a violation of the criminal code, with any evidence thereof, to the appropriate law enforcement officials. Video lottery game retailers shall provide an intrusion detection system capable of detecting unauthorized entrance of the video lottery game retailer's establishment during nonbusiness hours and shall report to the commission any unauthorized entrance of the video lottery game retailer's establishment. Such surveillance and intrusion detection system shall meet specifications as defined by the commission.

(2) A video lottery game operator shall post a sign in a conspicuous location where such video lottery game terminals are located, containing in red lettering at least one-half inch high on a white background a telephone contact number (1-888-BETSOFF) for the problem gambling helpline.

10. (1) Video lottery game operators shall pay the commission thirty-six percent of the video lottery game adjusted gross receipts, which shall be deposited in the state lottery fund. The commission shall transfer, subject to appropriation, the amount received from the operator from the lottery fund to the lottery proceeds fund after administrative expenses equal to four percent of the video lottery game adjusted gross receipts are paid to the municipality where a licensed video lottery game retailer maintains an establishment licensed for the operation of video lottery game terminals, or if such licensed establishment is not located within the corporate boundaries
of a municipality, then the county where such licensed establishment is located to reimburse such municipality or county for administrative expenses, and any administrative expenses for the commission that are not covered by reimbursements from operators are deducted. Net proceeds transferred to the lottery proceeds fund shall be appropriated equally to public elementary and secondary education and public institutions of higher education with an emphasis on funding elementary and secondary education student transportation costs pursuant to section 163.161, and public institutions of higher education workforce development programs.

(2) Video lottery game operators shall retain the remainder of the video lottery game adjusted gross receipts, a portion of which shall be utilized to pay for administrative expenses which shall include the cost of the centralized computer system, which cost shall be paid by video lottery game operators in proportion to the number of video lottery game terminals operated. Fifty percent of the costs of the centralized computer system shall be apportioned by the video lottery game operator among video lottery game retailers to which it provides operations based on the number of video lottery game terminals located at the video lottery game retailer's establishment. The remainder of adjusted gross receipts retained by the video lottery game operator, after the cost of the centralized computer system and administrative costs are paid and apportioned, shall be divided equally between the video lottery game operator and video lottery game retailer as agreed under subdivision (2) of subsection 6 of this section.

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

12. The commission shall contract with a state law
enforcement entity to assist in conducting investigations
into applicants for any video lottery game license and to
investigate violations by any retail lottery game licensee
of any of the provisions of sections 313.425 to 313.437 or
state law regulating illegal gambling activities referred by
the commission. A video lottery game licensee suspected of
a violation shall be afforded an administrative hearing by
the director on the record and any action taken to impose a
fine on such licensee, or to suspend or revoke the ability
of a licensee to offer lottery game products for sale, shall
be appealed to the commission. Any such administrative
suspension or revocation upheld by the commission may be
appealed by the video lottery game licensee in a state court of competent jurisdiction.

13. The possession or use of any video gaming terminal, machine, or device capable of simulating lottery games, games of chance, or gambling games, whether or not there is an element of skill involved, that uses a video display and microprocessor capable of randomly generating the outcome of such games in the possession of any video lottery game licensee that is not authorized by the commission, shall be a violation of sections 313.425 to 313.437. The commission shall have the power to investigate suspected violations by any lottery license holder and to refer any violations or suspected violations to the appropriate law enforcement authority. Any lottery vendor or licensee that violates the provisions of this subsection shall be deemed guilty of a class D felony and fined up to ten thousand dollars per occurrence, and such fines shall be deposited in the compulsive gamblers fund created under section 313.842. The commission shall suspend or revoke the license of any lottery vendor or licensee that allows the use of any video terminal, gambling machine, or device other than a video lottery game terminal authorized pursuant to sections 313.425 to 313.437.

14. The commission shall adopt rules for the implementation of the video lottery game system authorized under sections 313.425 to 313.437, including, but not limited to, the placement of video lottery terminals within a retail establishment and for the active oversight of the conduct of video lottery games. Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the authority delegated in this section shall become effective only if it complies with and is subject to
all of the provisions of chapter 536 and, if applicable, section 536.028. This section and chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after August 28, 2021, shall be invalid and void.

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

(1) Contract for the supply and operation of a centralized computer system for video lottery games within one hundred twenty days of the effective date of this act;

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

(3) Issue an approved form for persons applying for a video lottery game terminal operator's license available for use in contracting with a video lottery game retailer within one hundred twenty days of the effective date of this act; and

(4) Establish a start date, once applications and the approved form contract are made available, whereby any person seeking a license as a video lottery game operator that has applied for a license to be a video lottery game terminal operator, has paid the initial license fee, and...
satisfactorily completed an initial criminal background check may begin soliciting contracts with prospective video lottery game retailers for the placement of video lottery terminals. Such date shall be set no more than sixty days after applications are made available.

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

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

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

2. All shipments of gaming devices used to conduct video lottery games authorized under sections 313.425 to 313.437 to licensees, the registering, recording, and labeling of which have been completed by the manufacturer or distributor thereof in accordance with 15 U.S.C. Sections 1171 to 1178, shall be legal shipments of gambling devices into this state.

313.435. A municipality may adopt an ordinance prohibiting video lottery game terminals within the corporate limits of such municipality within one hundred eighty days from the effective date of this act. A county commission may, for the unincorporated area of the county, adopt an ordinance prohibiting video lottery game terminals
within the unincorporated area of the county within one
hundred eighty days from the effective date of this act.
Any municipality or county adopting an ordinance prohibiting
the use of video lottery game terminals or repealing such an
ordinance prohibiting video lottery game terminals shall
notify and transmit such ordinance to the commission within
ten days. The commission shall not license video lottery
game retailers within such area covered by such ordinance.
Any such municipality or county that has opted to prohibit
the use of video lottery game terminals to play video
lottery games may repeal such ordinance and upon such repeal
the commission may license video lottery game retailers
within such municipality or county to conduct video lottery
games.

313.437. If any provision of sections 313.425 to
313.437 or the application thereof to anyone or to any
circumstance is held invalid, the remainder of those
sections and the application of such provisions to others or
other circumstances shall not be affected thereby.

313.800. 1. As used in sections 313.800 to 313.850,
unless the context clearly requires otherwise, the following
terms mean:
   (1) "Adjusted gross receipts", the gross receipts from
licensed gambling games and devices less winnings paid to
wagerers. "Adjusted gross receipts" shall not include
adjusted gross receipts from sports wagering as defined in
section 313.1000;
   (2) "Applicant", any person applying for a license
authorized under the provisions of sections 313.800 to
313.850;
"Bank", the elevations of ground which confine the waters of the Mississippi or Missouri Rivers at the ordinary high water mark as defined by common law;

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

"Cheat", to alter the selection of criteria which determine the result of a gambling game or the amount or frequency of payment in a gambling game;

"Commission", the Missouri gaming commission;

"Credit instrument", a written check, negotiable instrument, automatic bank draft or other authorization from a qualified person to an excursion gambling boat licensee or any of its affiliated companies licensed by the commission.
authorizing the licensee to withdraw the amount of credit
extended by the licensee to such person from the qualified
person's banking account in an amount determined under
section 313.817 on or after a date certain of not more than
thirty days from the date the credit was extended, and
includes any such writing taken in consolidation, redemption
or payment of a previous credit instrument, but does not
include any interest-bearing installment loan or other
extension of credit secured by collateral;

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

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

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

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

(12) "Gambling excursion", the time during which
gambling games may be operated on an excursion gambling boat
whether docked or during a cruise;
(13) "Gambling game" includes, but is not limited to, games of skill or games of chance on an excursion gambling boat [but does not include gambling on sporting events]; provided such games of chance are approved by amendment to the Missouri Constitution;

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

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

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

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

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

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

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

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

(1) Is it in the best interest of gaming to allow the game; and

(2) Is the gambling game a game of chance or a game of skill?

All testimony shall be given under oath or affirmation. Any citizen of this state shall have the opportunity to testify on the merits of the petition. The commission may subpoena witnesses to offer expert testimony. Upon conclusion of the hearing, the commission shall evaluate the record of the hearing and issue written findings of fact that shall be based exclusively on the evidence and on matters officially
noticed. The commission shall then render a written decision on the merits which shall contain findings of fact, conclusions of law and a final commission order. The final commission order shall be within thirty days of the hearing. Copies of the final commission order shall be served on the petitioner by certified or overnight express mail, postage prepaid, or by personal delivery.

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

(1) "Adjusted gross receipts":

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

(b) The total of:

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

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

c. Voided wagers; and

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

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

(ii) Two percent of the total of all sums, including checks, whether collected or not, less the amount paid out as winnings to sports wagering patrons. For purposes of this section, a counter or personal check that is invalid or unenforceable under this section is considered cash received by the sports wagering operator from sports wagering operations;
(2) "Certificate holder", a licensed applicant issued a certificate of authority by the commission;

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

(4) "Commission", the Missouri gaming commission;

(5) "Department", the department of revenue;

(6) "Excursion gambling boat", the same meaning as defined under section 313.800;

(7) "Gross receipts", the total amount of cash and cash equivalents paid by sports wagering patrons to a sports wagering operator to participate in sports wagering;

(8) "Interactive sports wagering platform" or "platform", a person that offers sports wagering over the internet, including on internet websites and mobile devices on behalf of a certificate holder;

(9) "Licensed applicant", a person holding a license issued under section 313.807 to operate an excursion gambling boat;

(10) "Licensed facility", an excursion gambling boat licensed under this chapter;

(11) "Licensed supplier", a person holding a supplier's license issued by the commission;

(12) "Occupational license", a license issued by the commission;

(13) "Official league data", statistics, results, outcomes, and other data relating to an athletic or sporting event obtained pursuant to an agreement with the relevant sports governing body, or an entity expressly authorized by the sports governing body to provide such information to sports wagering operators, which authorizes the use of such data for determining the outcome of tier two sports wagers;
(14) "Person", an individual, sole proprietorship, partnership, association, fiduciary, corporation, limited liability company, or any other business entity;

(15) "Personal biometric data", an athlete's information derived from DNA, heart rate, blood pressure, perspiration rate, internal or external body temperature, hormone levels, glucose levels, hydration levels, vitamin levels, bone density, muscle density, and sleep patterns;

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

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

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

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

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

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

(22) "Tier one sports wager", a sports wager that is determined solely by the final score or final outcome of the sporting event and is placed before the sporting event has begun;

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

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

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

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

2. A licensed facility may offer sports wagering:

   (1) In person at the licensed facility; and

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

313.1004. 1. The commission shall adopt rules to implement the provisions of sections 313.1000 to 313.1024. Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions of
chapter 536 and, if applicable, section 536.028. This section and chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after August 28, 2021, shall be invalid and void.

2. Rules adopted under this section shall include, but shall not be limited to, the following:
   (1) Standards and procedures to govern the conduct of sports wagering, including the manner in which:
       (a) Wagers are received;
       (b) Payouts are paid; and
       (c) Point spreads, lines, and odds are disclosed;
   (2) Standards governing how a certificate holder offers sports wagering over the internet through an interactive sports wagering platform to patrons physically located in Missouri;
   (3) The manner in which a certificate holder's books and financial records relating to sports wagering are maintained and audited, including standards for the daily counting of a certificate holder's gross receipts from sports wagering and standards to ensure that internal controls are followed;
   (4) Standards concerning the detection and prevention of compulsive gambling.

3. Rules adopted under this section shall require a certificate holder to make commercially reasonable efforts to do the following:
   (1) Designate an area within the licensed facility operated by the certificate holder for sports wagering conducted under sections 313.1000 to 313.1024;
(2) Ensure the security and integrity of sports wagers accepted through an interactive sports wagering platform;

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

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

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

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

(c) Receive complaints from the public;

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

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

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

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

(1) Submit an application to the commission in the manner prescribed by the commission for each licensed facility in which the licensed applicant wishes to conduct sports wagering;
(2) Pay an initial application fee of twenty-five thousand dollars, which shall be deposited in the gaming commission fund and distributed according to section 313.835.

2. Upon receipt of the application and fee required under subsection 1 of this section, the commission shall issue a certificate of authority to a licensed applicant authorizing the licensed applicant to conduct sports wagering under sections 313.1000 to 313.1024 in a licensed facility or through an interactive sports wagering platform.

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

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

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

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

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

4. A certificate holder shall not permit any sports wagering on the premises of the licensed facility except as provided under subsection 2 of this section.
5. A sports wagering device shall be approved by the commission and acquired by a certificate holder from a licensed supplier.

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

7. A certificate holder may lay off one or more sports wagers. The commission may promulgate rules permitting certificate holders or platforms to employ systems that offset loss or manage risk in the operation of sports wagering under sections 313.1000 to 313.1024 through the use of liquidity pools in other jurisdictions in which the certificate holder, platform, an affiliate of the certificate holder or platform, or a third party also holds licenses to conduct sports wagering; provided that at all times adequate protections are maintained to ensure sufficient funds are available to pay winnings to patrons.

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

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

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

   (1) Submit an application to the commission in the manner prescribed by the commission to verify the platform's eligibility under this section; and
(2) Pay an initial application fee of twenty-five thousand dollars.

3. Each year on or before the anniversary date of the payment of the initial application fee under subsection 2 of this section, an interactive sports wagering platform provider holding a license issued under this section shall pay to the commission an annual license renewal fee of fifty thousand dollars. Such license renewal fees and the initial application fee provided for under subdivision (2) of subsection 2 of this section shall be deposited in the gaming commission fund and distributed according to section 313.835.

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

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

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

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

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

3. The commission shall adopt rules to ensure that advertisements for sports wagering:
   (1) Do not target minors or other persons who are ineligible to place wagers, problem gamblers, or other vulnerable persons;
   (2) Disclose the identity of the sports wagering certificate holder;
   (3) Provide information about or links to resources relating to gambling addiction; and
   (4) Are not otherwise false, misleading, or deceptive to a reasonable consumer.

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

2. (1) A certificate holder shall employ commercially reasonable methods to:
   (a) Prohibit the certificate holder, directors, officers, and employees of the certificate holder, and any relative living in the same household of a person described
in this paragraph from placing sports wagers with the certificate holder;

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

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

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

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

3. (1) A sports governing body may notify the commission that it desires to restrict, limit, or exclude sports wagers on its sporting events by providing notice in the form and manner as the commission may require, including, without limitation, restrictions on the sources of data and associated video upon which an operator may rely in offering and paying wagers and the bet types that may be offered. Upon receiving such notice, the commission shall only deny a request if it deems such request arbitrary and capricious. If the commission denies a request, the sports governing body shall be afforded notice and the right to be heard and offer proof in opposition to such determination in accordance with the regulations of the commission. Offering or taking wagers contrary to restrictions promulgated by the commission is a violation of this section. Except in relation to an emergency situation as provided in subdivision (2) of this subsection, the provisions of this
subsection shall not apply to tier one sports wagers on non-
exhibition games or events of professional sports
organizations or the National Collegiate Athletics
Association. For the purposes of this subsection,
"professional sports organization" shall include, but shall
not be limited to, the National Football League, Major
League Baseball, the National Basketball Association, the
National Hockey League, Major League Soccer, and the
Professional Golfers Association. Such term shall not
include minor league baseball or any other developmental
league, whether or not such league is affiliated with a
professional sports organization.

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

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

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

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

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

(3) Abnormal wagering activity or patterns that may
indicate a concern regarding the integrity of a sporting
event or events;
(4) Any other conduct that corrupts the wagering outcome of a sporting event or events for purposes of financial gain; and

(5) Suspicious or illegal wagering activities.

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

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

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

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

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

   (1) Personally identifiable information of the bettor;
   (2) The amount and type of bet placed;
   (3) The time and date the bet was placed;
   (4) The location, including specific information pertaining to the betting window where the bet was placed;
   (5) The outcome of the bet; and
   (6) Any discernable pattern of abnormal betting activity by the patron.

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

   (1) Personally identifiable information of the bettor;
   (2) The amount and type of bet placed;
   (3) The time and date the bet was placed;
   (4) The location, including specific information pertaining to the internet protocol address, where the bet was placed;
   (5) The outcome of the bet; and
   (6) Any discernable pattern of abnormal betting activity by the patron.

3. A certificate holder shall make the records and data that it is required to maintain under this section available for inspection upon request of the commission or as required by court order.
4. If a sports governing body has notified the commission that real-time information sharing for wagers placed on its sporting events is necessary and desirable, sports wagering operators shall share in real time, at the account level, and in pseudonymous form, the information required to be retained under subsections 1 and 2 of this section, other than video files, with the sports governing body or its designee with respect to wagers on its sporting events. Such information may be used by a sports governing body solely for integrity purposes.

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

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

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

4. (1) Any person, firm, corporation, association, agent, or employee shall be guilty of a class E felony for:
   (a) Placing, or causing to be placed, a bet or wager on the basis of material nonpublic information relating to that bet or wager; or
   (b) Knowingly engaging in, facilitating, or concealing conduct that intends to improperly influence a betting outcome of a sporting event for purposes of financial gain, in connection with betting or wagering on a sporting event.

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

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

2. Within thirty days of the end of each calendar quarter, a certificate holder shall remit to the commission a royalty fee of one-quarter of one percent of the amount wagered on sporting events conducted by registered sports governing bodies during the previous calendar quarter.
3. The royalty fee shall be remitted on a form as the commission may require, on which the certificate holder shall identify the percentage of wagering during the reporting period attributable to each registered sports governing body's sporting events.

4. No later than April thirtieth of each year, a registered sports governing body may submit a request for disbursement of funds remitted by certificate holders in the previous calendar year. The commission shall disburse the funds to the registered sports governing body in pro rata proportion of the total amount wagered on its sporting events. No registered sports governing body shall be required to obtain a license from the commission in order to lawfully accept the funds provided for in this subsection.

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

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

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

313.1020. 1. Within thirty days of the end of each calendar quarter, a certificate holder shall remit to the commission a royalty fee of one-quarter of one percent of the amounts wagered on:
(1) Sporting events involving at least one National Collegiate Athletic Association Football Bowl Subdivision football team; and

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

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

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

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

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

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

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

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

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

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

(2) In addition to the annual administrative fee
required under this subsection, a certificate holder shall
pay to the commission a fee of ten thousand dollars to cover
the costs of a full reinvestigation of the certificate
holder in the fifth year after the date on which the
certificate holder commences sports wagering operations
under sections 313.1000 to 313.1024 and on each fifth year
thereafter. The commission shall deposit the fees received
under this subdivision in the gaming commission fund and
shall distribute such fees according to section 313.835.
313.1022. All sports wagers authorized under sections 313.1000 to 313.1024 shall be deemed initiated, received, and otherwise made on the property of an excursion gambling boat within this state. Consistent with the intent of the United States Congress as articulated in the Unlawful Internet Gambling Enforcement Act of 2006, 31 U.S.C. Sections 5361 to 5367, as amended, the intermediate routing of electronic data relating to lawful intrastate sports wagers authorized under sections 313.1000 to 313.1024 shall not determine the location or locations in which such wager is initiated, received, or otherwise made.

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

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

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

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

(5) The commission shall promulgate rules to implement the provisions of this subsection. Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the authority delegated in this section shall
become effective only if it complies with and is subject to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after August 28, 2021, shall be invalid and void.

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

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

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

   (1) The employee demonstrates by a preponderance of the evidence that the actions of the employee to provide information or assist in an investigation were a contributing factor to the discharge or other discrimination; and
(2) The employer does not demonstrate, by clear and convincing evidence, that the employer would have taken the same unfavorable personnel action in the absence of behavior.

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

   (1) The date on which the violation occurs; or
   
   (2) The date on which the employee became aware of the violation.