



MISSOURI SENATE

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TO: Senator Hoskins

FROM: Josh Norberg, Assistant Director

DATE: May 3, 2022

RE: SA to HB 2607 - Gaming

Per your request, please find attached copies of a Senate Amendment to HB 2607 relating to gaming.

Please let me know if you need any further assistance.

Summary

This amendment changes the title from "relating to siting requirements for excursion gambling boat facilities" to "relating to gaming" and adds provisions relating to gaming.

COMPULSIVE GAMBLING

The Commission shall promulgate rules for a sports wagering self-exclusion program, as described in the amendment. Any person who has been self-excluded and is found to have entered an excursion gambling boat or placed a sports wager shall forfeit his or her winnings. (Section 313.813)

Current law allows the Commission to establish programs to provide treatment, prevention and education services for compulsive gambling. This amendment requires such programs and includes recovery services. This amendment also requires the Commission to conduct a socioeconomic study every five years on the impact of gaming. (Section 313.842)

This amendment requires the General Assembly to appropriate at least \$500,000 annually from the Gaming Commission Fund to the Compulsive Gamblers Fund. (Section 313.1021)

SPORTS WAGERING

This amendment allows the Missouri Lottery Commission to offer games based on the outcomes of sporting events. (Section 313.230)

This amendment authorizes wagering on sporting events and

modifies the definition of "gambling game" to include sports wagering.

Sports wagering shall only be authorized to be conducted on an excursion gambling boat or over the internet to persons physically located in this state. Licensed applicants shall apply to the Missouri Gaming Commission for authorization to conduct sports wagering and shall pay an application fee not to exceed \$100,000. If granted a certificate of authority, a certificate holder shall be authorized to conduct sports wagering in a licensed facility or through an interactive sports wagering platform, as defined in the amendment. (Section 313.1006)

The amendment establishes designated sports districts, as defined in the amendment, in areas surrounding stadiums in which professional sports teams play their home games. Professional sports teams may designate a designated sports district mobile licensee, as defined in the amendment, to conduct sports wagering via an interactive sports wagering platform within the designated sports district. (Section 313.1000)

An excursion gambling boat may conduct sports wagering through up to three individually branded interactive sports wagering platforms, as defined in the amendment, and may operate such platforms or contract with a platform operator to administer sports wagering on behalf of the excursion gambling boat. Each designated sports district mobile licensee may offer sports wagering through one interactive sports wagering platform. (Section 313.1008)

An interactive sports wagering platform may apply to the Commission to conduct sports wagering on behalf of a certificate holder. Such interactive sports wagering platform shall submit an application fee not to exceed \$150,000. Every year after licensure, an interactive sports wagering platform shall submit an annual license renewal fee not to exceed \$125,000. (Section 313.1010)

Sports wagering commercial activity, defined as any operation, promotion, signage, advertising, or other business activity relating to sports wagering, shall be prohibited within designated sports districts, as defined in the amendment. (Section 313.1003.3)

A sports governing body may notify the Commission that official league data for determining tier two sports wagers is available. The Commission shall notify sports wagering operators of such availability within seven days, and within sixty days of

receiving such notification, sports wagering operators shall use only official league data to determine the outcome of tier two sports wagers, with exceptions as provided in the amendment.

Certificate holders shall ensure that the certificate holder's surveillance system covers all areas in which sports wagering is conducted, allow the Commission to be present through gaming agents during the hours sports wagering is conducted, ensure that individuals under the age of 21 are not making sports wagers, provide certain information to sports wagering patrons, and post a sign indicating the minimum and maximum amounts that may be wagered. (Section 313.1004)

The Commission shall also promulgate rules to ensure that advertisements for sports wagering do not target minors or other persons who are ineligible to place wagers, problem gamblers, or other vulnerable persons. (Section 313.1012)

The Commission shall conduct background checks on individuals seeking licenses under the amendment. Such background checks shall include a search for criminal history and any charges or convictions involving corruption or manipulation of sporting events.

The amendment prohibits the direct or indirect legal or beneficial owner of five percent or more of a sports governing body or its member teams from placing or accepting a wager on an event in which a member team participates. A violation of this provision is a Class C misdemeanor. (Section 313.1014.3(2))

A sports governing body may submit a request to the Commission to restrict, limit, or exclude a certain type, form, or category of sports wagering on sporting events sponsored by such sports governing body. The Commission shall request comments on such requests from sports wagering operators. Upon demonstration of good cause, the Commission shall grant such request, as described in the amendment.

The Commission and certificate holders shall cooperate with investigations conducted by law enforcement agencies. (Section 313.1014)

A certificate holder shall maintain records of all bets and wagers placed through an interactive sports wagering platform, and all bets and wagers placed in person that exceed \$10,000, including personally identifiable information of the bettor, the amount and type of bet, the time the bet was placed, the location of the bet, the outcome of the bet, and records of abnormal

betting activity for at least three years after the sporting event occurs. (Section 313.1016)

A tax is imposed at a rate of 21% on the adjusted gross receipts received from sports wagering conducted by a certificate holder. Such tax shall be remitted by the last business day of each month. Revenues received from the tax shall be deposited in the Gaming Proceeds for Education Fund.

A certificate holder shall also pay to the Commission an annual license renewal fee not to exceed \$50,000. In addition to such administrative fee, a certificate holder shall pay to the Commission a fee of \$10,000 every five years for a reinvestigation of the certificate holder. Such fees shall be deposited in the Gaming Commission Fund. (Section 313.1021)

All sports wagers placed under this amendment shall be deemed to be initiated, received, and otherwise made on the property of an excursion gambling boat in this state. The intermediate routing of electronic data shall not determine the location or locations in which such wager is initiated, received, or otherwise made. (Section 313.1022)

This amendment is substantially similar to SB 643 (2022), SB 764 (2022), SB 1046 (2022), SB 1061 (2022), SB 18 (2021), SB 217 (2021), SB 256 (2021), SB 567 (2020), SB 754 (2020), HB 2318 (2020), HB 2691 (2020), HB 119 (2019), SB 1009 (2018), HB 2406 (2018), and to provisions contained in SS/HCS/HBs 2502 & 2556 (2022), SB 906 (2022), SCS/SB 98 (2021), SB 643 (2020), HCS/HB 2088 (2020), HCS/HB 2284 (2020), SS#3/SCS/SB 44 (2019), and SB 187 (2019), and is similar to HB 2320 (2018) and to a provision contained in SB 195 (2019).