

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4713-01
Bill No.: HB 2088
Subject: Gambling; Lotteries, Crimes and Punishment; Fees; Law Enforcement Officers and Agencies
Type: Original
Date: January 21, 2020

Bill Summary: This proposal modifies provisions relating to gaming.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND				
FUND AFFECTED	FY 2021	FY 2022	FY 2023	Fully Implemented (FY 2025)
General Revenue	(Less than \$2,555,521)	(Less than \$1,946,408)	(Less than \$1,980,563)	(Less than \$2,099,918)
Total Estimated Net Effect on General Revenue	(Less than \$2,555,521)	(Less than \$1,946,408)	(Less than \$1,980,563)	(Less than \$2,099,918)

Due to time constraints, **Oversight** was unable to receive some of the agency responses in a timely manner and performed limited analysis. Oversight has presented this fiscal note on the best current information that we have or on information regarding a similar bill(s). Upon the receipt of agency responses and additional analysis, Oversight will determine if an updated fiscal note should be prepared and seek the necessary approval of the chairperson of the Joint Committee on Legislative Research to publish a new fiscal note.

Numbers within parentheses: () indicate costs or losses. This fiscal note contains 43 pages.

ESTIMATED NET EFFECT ON OTHER STATE FUNDS				
FUND AFFECTED	FY 2021	FY 2022	FY 2023	Fully Implemented (FY 2025)
State Lottery (0682)	\$581,893	\$2,292,023	\$2,292,023	Could exceed \$2,292,023
Lottery Proceeds Funds (0291)	\$117,786,631	\$248,575,177	\$327,163,047	Could exceed \$331,962,124
Compulsive Gamblers (0249)	\$0 to Unknown	\$0 to Unknown	\$0 to Unknown	\$0 to Unknown
Gaming Proceeds for Education Fund (0285)	\$7,460,883 to \$17,097,750	\$8,953,060 to \$20,517,300	\$8,953,060 to \$20,517,300	\$8,953,060 to \$20,517,300
Gaming Commission Fund (0286)	(Unknown, exceeding \$144,694)	Less than \$335,912	Less than \$315,281	Less than \$402,547
Highway (0644)	Unknown	Unknown	Unknown	Unknown
Criminal Records System (0671)	Unknown	Unknown	Unknown	Unknown
Total Estimated Net Effect on <u>Other</u> State Funds	Could exceed \$125,684,713 to \$135,321,580	Could exceed \$260,156,172 to \$271,720,412	Could exceed \$338,723,411 to \$350,287,651	Could exceed \$343,609,754 to \$355,173,994

ESTIMATED NET EFFECT ON FEDERAL FUNDS				
FUND AFFECTED	FY 2021	FY 2022	FY 2023	Fully Implemented (FY 2025)
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)				
FUND AFFECTED	FY 2021	FY 2022	FY 2023	Fully Implemented (FY 2025)
General Revenue	15 FTE	15 FTE	15 FTE	15 FTE
Gaming Commission Fund (0286)	2 FTE	2 FTE	2 FTE	2 FTE
Lottery Proceeds Fund (0291)	26 FTE	26 FTE	26 FTE	26 FTE
Total Estimated Net Effect on FTE	43 FTE	43 FTE	43 FTE	43 FTE

Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$100,000 in any of the three fiscal years after implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS				
FUND AFFECTED	FY 2021	FY 2022	FY 2023	Fully Implemented (FY 2025)
Local Government	\$10,401,209 to \$11,471,972	\$20,161,451 to \$21,446,367	\$29,739,228 to \$31,024,144	Could exceed \$29,739,228 to \$31,024,144

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Missouri Lottery Commission (Commission)** assume the proposal will eliminate its current Pull-Tab program at fraternal organizations and reduce Keno sales by 31.3 percent. This reduction may negatively impact funding for education.

Section 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 manufacturers, distributors, operators, handlers and retailers of video lottery, following specific requirements for eligibility.

- It is assumed four (4) additional administrative office support assistant positions at a salary of \$32,556 each will be needed to process applications and renewals, which includes completing background checks on owners and handlers and determining eligibility.
- The Commission may impose initial application fees and provisional license fees that will cover initial background checks. Renewal fees and penalties may also be assessed by the Commission.
- It is assumed revenues from initial application and provisional license fees will total \$2 million spread over a 4-year ramp-up period, which will be offset by the cost of background checks for operators, manufacturers, distributors, retailers and handlers of approximately \$80,000 per year (background checks are estimated to be \$45 per person, and each operator, manufacturer, distributor and retailer is assumed to have at least two owners requiring a check, with each handler requiring one check).
- Cost of background checks beyond the fiscal note period will continue at approximately \$80,000 per year, with approximately \$1.0 million in revenues assumed from the first year of renewal fees, ramping up to approximately \$4 million in year 4 and beyond.

Section 313.429.3

The video lottery terminals must be connected to a centralized system that uses industry protocols approved by the Commission that allows the Commission to activate or deactivate a terminal from a remote location and capable of monitoring and auditing plays.

The Commission will need appropriation authority for the central system but there is no cost associated since the cost will be reimbursed by operators/retailers.

ASSUMPTION (continued)

Section 313.429.6

Video lottery game terminals shall meet independent testing standards approved by the Commission and shall be inspected and approved by the Commission prior to being sold, leased or transferred.

Section 313.429.7-8

Operators must follow guidelines for plays and payouts, where terminals can be operated, number of terminals operated per establishment, responsible gambling and refrain from advertising. Retailers may participate in an advertising program that is promoted through and sponsored by the Lottery.

Section 313.429.9

Video lottery game terminals must be placed in a fully enclosed room that is continually monitored by video surveillance and where access to persons under 21 years of age is denied by a procedure approved by the Commission. Operators must post age requirement and problem gambling helpline and provide video surveillance in the immediate area of the video lottery terminals (VLT). Recorded video must be reviewed by video lottery game operators for compliance with law, rules and regulations and fines up to \$10,000 per occurrence may be assessed by the Commission for violations and for failing to review or report violations. Such fines shall be deposited in the compulsive gamblers fund.

Nine (9) Lottery Security Specialists at an annual salary of \$50,318 each are needed to ensure the centralized system uses industry protocols, to activate or deactivate terminals, to monitor and audit plays, and ensure operators are following requirements for plays and payouts, where terminals can be operated, number of terminals operated per establishment, advertising, posting age requirement and the problem gambling helpline, and reviewing video surveillance and assessing fines for noncompliance. Five (5) additional Lottery Security Specialists at an annual salary of \$50,318 are needed to facilitate and document VLT investigations, review cases/video surveillance and recommend fines for noncompliance to the Commission. Video lottery game terminals must also meet independent testing standards approved by the Commission and must be inspected and approved by the Commission prior to being sold, leased or transferred.

One (1) Gaming Public Information Coordinator is needed at an annual salary of \$39,453 to educate operators and retailers on problem gambling and manage the self-exclusion program.

One (1) Personnel Officer is needed at an annual salary of \$49,440 to assist with hiring and training FTE to administer the program.

ASSUMPTION (continued)

Advertising, promotions and point-of-sales costs associated with the program are estimated to be \$1,500,000 per year.

Oversight notes provisions of 313.429.9 provide for administrative fines against a video lottery game operator or retailer that violates provisions of this subsection. These administrative fines may not exceed \$5,000 per occurrence. Oversight notes that violations resulting in fines could vary widely from year to year. Civil penalties collected per Article IX, Section 7 of the Missouri Constitution requires fines to be distributed to the school district where the violation occurred; therefore, Oversight will reflect a positive fiscal impact of \$0 to Unknown to local school districts on the fiscal note.

Section 313.429.10

Video lottery game operators shall pay the Commission 36% of the video lottery adjusted gross receipts, which, except for administrative expenses, is to be transferred to the lottery proceeds fund. The Commission must compensate the municipality where a licensed video lottery retailer maintains an establishment 4% of the 36% to cover administrative costs. Appropriation authority will be needed to remit the 4% compensation to the municipalities.

Officials from the **Department of Elementary and Secondary Education (DESE)** state the potential amount of adjusted gross receipts resulting from video lottery cannot be estimated. 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 §163.161 and public institutions of higher education.

Oversight will show 32% of gross receipts from video lottery terminals as income to the State Lottery Fund, and then will show a transfer to the Lottery Proceeds Fund to 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.

Oversight will show 4% of gross receipts from video lottery terminals as income to municipalities or counties where a licensed video lottery game retailer maintains an established license for the operation of video lottery game terminals.

Section 313.429.11

Officials from the **Missouri Lottery Commission** assume up to one percent (1%) of license fees deposited in the State Lottery Fund shall, subject to appropriation, be deposited into the credit of the Compulsive Gamblers Fund created under §313.842.

ASSUMPTION (continued)

The Commission assumes three (3) Accounting Generalists I are needed at an annual salary of \$44,063 each to collect license fees, verify and collect the Lottery's share of video lottery adjusted gross receipts, and remit payments to municipalities.

The Lottery assumes approximately \$9.6 million, \$19.2 million and \$28.7 million per year will be remitted to municipalities where video lottery establishments are located in 2021, 2022, and 2023, respectively, ramping up to \$38.3 million annually after year four.

One percent of license fees credited to the Compulsive Gamblers Fund is estimated to be \$6,000 in FY 2021 and \$23,000 in FY 2022 and FY 2023 and \$93,000 per year after a four-year ramp up period.

Officials from the **Department of Mental Health (DMH)** assume, subject to appropriation, up to one percent of license fees shall be deposited into the compulsive gamblers fund created under Section 313.842. Therefore, no State general revenue would be required for the below assumptions.

The Department of Mental Health (DMH) assumes this would increase the need for and utilization of compulsive gambling (CG) treatment. Based on the current number of consumers served, DMH estimates treatment for 354 additional consumers with an average cost of \$1,412 per treatment episode for a total treatment cost of \$499,848 in FY 21. Currently, DMH has twelve certified compulsive gambling treatment providers; this number would likely increase over time along with the need for additional compulsive gambling counselors. DMH estimates 25 new compulsive gambling counselors will be needed throughout the state, with initial cost for training new counselors estimated at \$160 per person for a total of \$4,000 in FY 21. DMH anticipates annual cost for advertising with public service announcements for help with compulsive gambling at \$166,400. Total cost to DMH would be estimated at \$558,540 in FY 21. For FY 22 and beyond the amount would be \$670,248 or more based upon the need for compulsive gambling services.

Oversight notes the balance of the Compulsive Gamblers Fund (0249) was \$90,138 on December 31, 2019 and \$17,168 on June 28, 2019. Therefore, Oversight assumes DMH will only be allowed to spend the anticipated income into the fund on mental health services. Therefore, Oversight will reflect DMH utilizing all of the proceeds into the fund as estimated by LOT.

ASSUMPTION (continued)

Section 313.429.12

Officials from the **Missouri Lottery Commission** assume the commission shall contract with a state law enforcement entity to assist in conducting investigations. Licensees suspected of violations shall be afforded an administrative hearing by the director.

The Commission assumes \$500,000 per year is the estimated cost to contract with state law enforcement. One (1) paralegal FTE at an annual salary of \$51,841 and one (1) hearings officer at an annual salary of \$41,212 are assumed to assist with additional legal work involved with administrative hearings and promulgating rules.

Oversight notes the provisions of the proposal provide that the Commission shall contract with state law enforcement to assist in conducting investigations into applicants. Oversight notes the MHP has estimated these costs to be \$2.3 million annually.

In response to a similar proposal from 2020 (HB 2030), officials from the **Department of Public Safety - Missouri State Highway Patrol (MHP)** stated the bill gives statutory authority for the Missouri Lottery to contract with a state law enforcement agency. Section 313.429.12 states, "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 license of any of the provisions of sections 313.425 to 313.437 or state law regulating illegal gambling activities referred by the commission." If the Missouri Lottery chooses to enter into a memorandum of understanding (MOU) with MHP, there could be significant impact on the Gaming Division to include manpower, vehicles, and office space. The MHP assumes the Missouri Lottery will choose to do this.

The potential impact would depend upon how the Lottery Commission interprets section 313.429.12. Depending on the final and approved version, the Gaming Division anticipates fifteen (15) FTE would be necessary to perform two primary functions; background investigations on vendors/operators and to regulate the vast number of sites across the state. This would include 2 investigators in the Jefferson City office, 12 officers to oversee regulatory and criminal investigations in the field and 1 administrative support person to process related reports. The twelve (12) field investigators would include one (1) officer in 6 of the troops and 2 officers in the most heavily populated 3 troops (A, C, and D).

The two sections that impact MHP in regard to the "Missouri Video Lottery Control Act" are sections 313.429.11 and 313.429.12. Section 313.429.11 is simply the funding mechanism which would ensure any potential MOU between MHP and Lottery Commission were paid by General Revenue or State Lottery Funds. Utilizing State Lottery Funds would mirror the current

ASSUMPTION (continued)

arrangement of Gaming officers now being paid by the gaming industry per the current MOU. While General Revenue Funds have been identified as being affected, the MHP assumes there may be a possibility of fees generated from the regulation of the devices to be utilized in lieu of the General Revenue funding. Section 313.429.12 is the authority which would allow an MOU. In addition to the expense indicated for the fourteen (14) Sergeants that will be transferring from the Highway fund, it is assumed there will be some savings to the Highway fund as those fourteen (14) formerly Highway-funded Sergeants are ultimately replaced by fourteen (14) Highway-funded Probationary Troopers. While the exact dollar amount of that savings cannot be determined, due to the cost of promotions that will occur during the backfilling process, etc., there will likely be some amount of savings to the Highway fund.

Oversight does not have any information contrary to that provided by MHP. Therefore, Oversight will reflect MHP's impact for fiscal note purposes to the General Revenue Fund.

Oversight states according the MHP's website, state and federal background checks will cost \$41.75 per applicant. Of this amount, the MHP retains the \$20 state fee plus a \$2 pass-thru fee for the federal check. Therefore, Oversight will present an unknown revenues to the Criminal Records Fund for background checks performed for this proposal.

Section 313.429.13

Officials from the **Missouri Lottery Commission** assumes the Commission, under this section, shall have the power to investigate suspected violations by any video lottery license holder and refer violations to law enforcement and suspend or revoke the license of any lottery vendor or licensee that allows the use of any machine or device not authorized.

For the purpose of this proposed legislation, officials from the **Office of State Public Defender (SPD)** state they cannot assume that existing staff will provide effective representation for any new cases arising where indigent persons are charged with the proposed new crime of engaging in, facilitating, or concealing conduct that improperly influences a betting outcome of a sporting event for the purpose of financial gain, a new class E felony or the proposed new crimes regarding video lottery games, new class D felonies. The Missouri State Public Defender System is currently providing legal representation in caseloads in excess of recognized standards.

In FY 2019, SPD opened 13 gambling related cases of the 62,002 cases opened by the Trial Division.

ASSUMPTION (continued)

Charge Code	Description	Number of Cases
313.813	Trespassing - 1 st Degree (gambling boat)	2
313.817	Presenting false ID to enter gambling boat	6
313.830	Gaming violations	5
	Total Number of Cases	13

While the number of new cases (or cases with increased penalties) may be too few or uncertain to request additional funding for this specific bill, the SPD will continue to request sufficient appropriations to provide effective representation in all cases where the right to counsel attaches.

Oversight notes over the last three fiscal years, the SPD has lapsed a total of \$153 of General Revenue appropriations (\$2 out of \$28.0 million in FY 2017; \$150 out of \$42.5 million in FY 2018; and \$1 out of \$46.0 million in FY 2019). Therefore, Oversight assumes the SPD is at maximum capacity, and the increase in workload resulting from this bill cannot be absorbed with SPD's current resources.

Adding one additional Assistant Public Defender 1 (APD) with a starting salary of \$47,000, will cost approximately \$74,500 per year in personal service and fringe benefit costs. One additional APD II (\$52,000 per year; eligible for consideration after 1 year of successful performance at APD I) will cost the state approximately \$81,000 per year in personal service and fringe benefit costs. When expense and equipment costs such as travel, training, furniture, equipment and supplies are included, Oversight assumes the cost for a new APD could approach \$100,000 per year.

Oversight assumes the SPD cannot absorb the additional caseload that may result from this proposal within their existing resources and, therefore, will reflect a potential additional cost of (Less than \$100,000) per year to the General Revenue Fund.

Officials from the **Department of Corrections (DOC)** state this legislation creates a new class D felony for unauthorized possession of devices capable of simulating lottery games. Therefore, the DOC will use the standard D felony response to provide a fiscal estimate.

For each new non-violent class D felony, the DOC estimates three people will be sentenced to prison and five to probation. The average sentence for a non-violent class D felony offense is 5 years, of which 2.8 years will be served in prison with 1.7 years to first release. The remaining 2.2 years will be on parole. Probation sentences will be 3 years.

ASSUMPTION (continued)

For each new non-violent class E felony, the department estimates one person will be sentenced to prison and two to probation. The average sentence for a nonviolent class E felony offense is 3.4 years, of which 2.1 years will be served in prison with 1.4 years to first release. The remaining 1.3 years will be on parole. Probation sentences will be 3 years.

The cumulative impact on the department is estimated to be 11 additional offenders in prison and 28 on field supervision by FY2025.

The cumulative impact on the department is estimated to be 9 additional offenders in prison and 15 on field supervision by FY 2023.

	# to prison	Cost per year	Total Costs for prison	# to probation & parole	Cost per year	Total cost for probation and parole	Grand Total - Prison and Probation (includes a 2% inflation)
Year 1	4	(\$6,386)	(\$21,287)	7	absorbed	\$0	(\$21,287)
Year 2	8	(\$6,386)	(\$52,110)	14	absorbed	\$0	(\$52,110)
Year 3	11	(\$6,386)	(\$73,084)	22	absorbed	\$0	(\$73,084)
Year 4	11	(\$6,386)	(\$74,546)	25	absorbed	\$0	(\$74,546)
Year 5	11	(\$6,386)	(\$76,037)	28	absorbed	\$0	(\$76,037)
Year 6	11	(\$6,386)	(\$77,557)	28	absorbed	\$0	(\$77,557)
Year 7	11	(\$6,386)	(\$79,108)	28	absorbed	\$0	(\$79,108)
Year 8	11	(\$6,386)	(\$80,691)	28	absorbed	\$0	(\$80,691)
Year 9	11	(\$6,386)	(\$82,304)	28	absorbed	\$0	(\$82,304)
Year 10	11	(\$6,386)	(\$83,950)	28	absorbed	\$0	(\$83,950)

Oversight does not have any information contrary to that provided by DOC. Therefore, Oversight will reflect DOC's impact for fiscal note purposes.

Officials from the **Missouri Office of Prosecution Services (MOPS)** assume the proposal will have no measurable fiscal impact on MOPS. The creation of a new crime creates additional responsibilities for county prosecutors which may, in turn, result in additional costs, which are difficult to determine.

ASSUMPTION (continued)

Oversight notes that any lottery vendor or licensee that violates the provisions of this subsection will be deemed guilty of a class D felony and fined up to \$10,000 per occurrence. Oversight assumes these fines will be deposited into the compulsive gamblers fund. Since the number of violations may vary, Oversight will range the revenue of these fines as \$0 (no fines are collected) to Unknown.

Section 313.429.14

The Commission shall adopt rules for implementing video lottery.

Section 313.431.1

The Commission shall contract for a centralized communication system, make license applications available for manufacturers, distributors, operators, retailers and handlers, and promulgate rules within 120 days of the effective date.

In summary, the Missouri Lottery Commission assumes this proposal will require 25 new FTE at a cost of \$957,365 in FY 2021, \$1,160,320 in FY 2022 and \$1,171,923 in FY 2023 to provide for the implementation of the changes in this proposal.

The LOT estimates an additional 4,000 square feet is needed in the St. Louis region at a cost of \$21 per square foot rent, \$2.00 per square foot utilities, and \$1.50 per square foot janitorial, or \$98,000 per year.

The Lottery assumes 3,875 retailers will operate 21,000 terminals after a 4-year ramp up period. Additional proceeds to the Lottery and municipalities from video lottery sales are anticipated to be \$86.2 million in year one and grow to \$258.7 million in year three, offset by lost profits from Pull-Tab and Keno of approximately \$14 to \$15 million per year. Pull-Tab sales at fraternal are assumed to be completely cannibalized by video lottery sales; Keno sales are expected to be cannibalized by 31.3%.

Oversight currently does not have the data or resources available to produce independent revenue projections, including an Economist to estimate the elasticity of demand for video lottery wagering in relation to other games of chance offered by the Missouri Lottery or at casinos. Therefore, for purposes of this fiscal note, Oversight will utilize the estimates provided by the Missouri Lottery Commission.

Officials from the **Missouri Gaming Commission (MGC)** estimate this proposal would increase total state revenue by approximately \$35 million annually. MGC bases those estimates off of a comparison to Mississippi's Sports Betting experience for the past 12 months, Rubin Brown and an Oxford Study. Based on MGC calculations (Oxford and Rubin Brown study), adjusted gross

ASSUMPTION (continued)

receipts under this proposal could be approximately \$110 million. At a tax rate of 9%, revenues generated from the tax could be approximately \$9.9 million (distributed 90/10 between the state and local governments).

MGC states they annualized the state of Mississippi's Total Revenue from sports betting by taking their total revenue from November 2018 through October 2019. They determined their sports betting revenue was 2% of their total gaming revenue. This was calculated by taking \$45,036,857 and dividing by \$2,141,840,000 ($\$45,036,856.59 / \$2,141,840,000 = .02$ or 2%). MDC assumes Missouri's sports betting revenue would also be 2% of total gaming revenue or \$35,089,400 ($\$1,754,470,000$ total sports revenue x 2% = \$35,089,400). Mississippi sports betting is limited to bets placed in person at the casinos. In making fiscal estimates, MDC assumes allowing online wagering, in addition to casino-based, will significantly increase MDC's overall revenues. Based on the Oxford study and the experience in other states, including Pennsylvania, West Virginia and New Jersey, led MDC to the assumption that the estimated \$35 million calculated for wagers placed in person at casinos would comprise approximately 30% of the total sports wagers placed. Therefore, sports betting revenue would be comprised of 70% mobile wagering and 30% retail wagering if the law would allow mobile wagers to be placed [$(\$35,089,400 \times 70\%) / 30\% = \$81,875,266$]. Per §313.1000 of this proposal, Adjusted Gross Receipts are calculated by taking total revenue less payouts. MGC estimates Missouri's total revenue to be \$116,964,666.

Total Revenue	\$116,964,666
Less Payouts	<u>\$6,433,056</u> ($\$116,964,666 \times 5.5\%$)
Adjusted Gross Receipts (AGR)	\$110,531,610

Oversight notes, according to a New York Times article dated April 16, 2019, sports betting revenue has only brought in half of what Tunica officials had expected. Since sports betting is a fairly new concept for Mississippi, Oversight notes the revenue used by MGC to calculate revenue generated from this proposal could be overstated. Oversight does not currently have the resources or ability to produce an independent estimate. Therefore, Oversight will reflect the AGR listed above as estimated by MGC.

MGC officials state this bill allows for a Certificate of Authority Application Fee (initial) of \$25,000/Section 313.1006, a Certificate Holder Administration Fee (annual after the first year) of \$50,000/Section 313.1021, a Certificate Holder Reinvestigation Fee of \$10,000/Section 1021 (in the 5th year after sports wagering commenced and each 5 years thereafter), a Sports Wagering Platform License Application Fee (initial) of \$25,000/Section 313.1010, and a Sports Wagering Platform License Annual Renewal Fee of \$50,000/Section 313.1010 (annual after the first year) to the deposited in the Gaming Commission Fund.

ASSUMPTION (continued)

Oversight will reflect revenue generated from these fees into the Gaming Commission Fund.

Section 313.1018.3

MGC states this section imposes civil penalties against anyone "who knowingly violates" the provisions of §§313.1000 – 313.1024 of "not more than \$5,000 for each violation, not to exceed \$50,000 for violations arising out of the same transaction or occurrence." Those violating these sections are also subject to the penalties provided under section 313.805(6), "excluding any financial penalties in excess of those provided under this subsection."

Oversight notes that any person, firm, corporation, association, agent, or employee that violates any procedure implemented under section 313.100 to 313.1024 shall be liable for a civil penalty of not more than \$5,000 for each violation, not to exceed \$50,000 for violations arising out the same transaction or occurrence. Oversight assumes if there are penalties assessed from these provisions, the fine revenue would be paid to the local school districts. For simplicity, Oversight will not reflect the possibility that fine revenue paid to school districts may act as a subtraction in the foundation formula the following year. Since the number of violations may vary, Oversight will range the revenue of these fines from \$0 (no fines are collected) to Unknown.

Section 313.1019

MGC assumes section 313.1019 requires a certificate holder to remit to the commission a "royalty fee" of $\frac{1}{4}$ of 1% of the gross amount wagered on its sporting events conducted by registered sports governing bodies during the previous calendar quarter. These royalty fees are to be disbursed by the MGC to registered sports governing bodies requesting disbursement of those funds by April 30 of each year. The MGC must then disburse all unclaimed royalty fees under this section to eligible certificate holders on a pro rata basis. To calculate, MGC divided the total estimated annual revenue amount by 5.5% to determine the total estimated wagers of \$2,126,630,303. MGC estimates \$5,316,576 will be remitted to the sports governing body ($\frac{1}{4}$ of 1% of total wagers).

Section 313.1020

MGC assumes this section requires a certificate holder to remit to the commission royalty fees of $\frac{1}{4}$ of 1% of the amount wagered on sporting events involving at least one National Collegiate Athletic Association (NCAA) Football Bowl Subdivision football team and at least one NCAA Division I basketball team to be used for athletics compliance. This fee is due within 30 days of each calendar quarter and must be distributed by the MGC to those two teams by April 30 of each year. To calculate, MGC divided the total estimated annual revenue amount by 5.5% to determine the total estimated wagers of \$2,126,630,303. MGC estimates \$5,316,576 will be remitted to selected NCAA colleges ($\frac{1}{4}$ of 1% of total wagers).

ASSUMPTION (continued)

Oversight will use the MGC's estimate and disburse \$5,316,576 (1/4 of 1% of total wagers) each to sports governing bodies and selected NCAA colleges respectively.

Section 313.1021.1

MGC states this section imposes a wagering tax of 9% on the AGR received from sports wagering conducted by a certificate holder. Revenues from this tax are to be deposited in the Gaming Proceeds for Education Fund.

Oversight will reflect revenue generated from this tax into the Gaming Proceeds for Education Fund.

Officials from the **Office of Administration - Budget and Planning** assume his proposal will increase TSR and 18e calculations by imposing fees and penalties related to the regulation of legal sports betting and levying an adjusted gross receipts tax on sport wagers. Additional administrative fee revenues will be deposited into the Gaming Commission Fund. Additional gross receipts tax revenues will be deposited into the Gaming Proceeds for Education Fund. B&P defers to the MGC for an estimate of increased revenues.

Officials from the **Office of Administration - Budget and Planning** assume the proposal creates the Missouri Video Lottery Control Act. There are numerous fees and fines that will increase TSR and the 18(e) calculation. We defer to the Lottery for estimated amounts.

Fees include the following:

- Commission may "incur fees when accepting debit cards or other electronic payment methods". (Section 313.360)
- Application fees (Section 313.429.3(1)(a)-(c))
 - Video lottery game manufacturers, video lottery game distributors, and video lottery game operators (up to \$15,000)
 - Video lottery game retailer establishments (up to \$500)
 - Video lottery game handlers (up to \$100)
- License Fee (Section 313.429.3(2)(a)-(d))
 - Video lottery game manufacturer, video game distributors, and video lottery game operators (\$5,000)
 - Video lottery game handlers (\$50)
 - Video lottery game retailer's establishment (\$500)
 - One percent of license fees are to be deposited into the Compulsive Gamblers Fund

ASSUMPTION (continued)

- Video Lottery game terminal fee (Section 313.429.3(3))
 - \$200 annual fee for each machine placed in service
- Video lottery game lottery operators shall pay the Lottery Commission 32% of any unclaimed cash prize associated with unclaimed winning ticket within one hundred eighty days of issue. (Section 313.429.7(d))
- Failure to Review and Report (Section 313.429.9(1))
 - A video lottery game operator that fails to review such surveillance video and report any known violation of law may be subject to an administrative fine up to \$5,000
 - 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 up to \$5,000
 - A video lottery game operator or retailer is found to have knowingly committed a violation governing the conduct of video lottery games may be subject to an administrative fine up to \$5,000
- A percentage of adjusted gross receipts shall be deposited as follows (Section 313.429.10(1)):
 - 36% to the State Lottery Fund. Of this amount:
 - 4% is reimbursed to the city or county where the machine is located;
 - Any administrative expenses incurred by the Lottery Commission are deducted; and
 - The remainder is transferred to the Lottery Proceeds Fund.
- The possession or use of any unauthorized video gaming terminal (Section 313.429.13)
 - Any lottery vendor or licensee that possesses or uses a video gaming terminal, machine, or device that is not authorized by the commission shall be deemed guilty of a class D felony and fined \$1,000 per occurrence, and such fines shall be deposited in the Compulsive Gamblers Fund.

These fees and fines may increase both TSR and 18(e) by an unknown amount.

Article IX, Section 7 of the Missouri Constitution requires that penalties, forfeitures and fines collected for violations of state law be distributed to the schools. To the extent any additional such revenues are deposited into the state treasury, TSR may increase.

ASSUMPTION (continued)

In response to a similar proposal from 2020 (HB 2030), officials from the **MGC** stated that as a new form of entertainment, it is assumed the video lottery terminals (VLTs) would be in direct competition with bingo and excursion gambling boats, resulting in a reduction in state taxes to education. It would also result in a reduction of state admission fees for Veteran's, National Guard, and Access Missouri programs, as well as reductions in casino taxes and admission fees paid to local government in home dock cities.

The extent of the reduction in revenue in both state and local taxes from riverboat gaming casinos and charitable bingo is unknown but significant, as has been the case in other states which have authorized video lottery terminals, specifically in Illinois. The extent that these reductions will be offset by new revenue generated by VLTs is unknown but significant.

Oversight assumes the implementation of video lottery in Missouri may have a negative impact on the utilization of Missouri's casinos (patrons may choose to play video lottery instead of visiting a Missouri casino). Therefore, Oversight will reflect an unknown amount of loss to the Gaming Commission Fund (0286) and the Gaming Proceeds for Education Fund (0285).

Oversight will show a negative unknown impact to home dock cities of riverboat casinos due to reduced casino taxes and admission fees.

Oversight also notes that the Missouri Gaming Commission and the Office of Administration - Budget and Planning has stated the proposal will have a direct fiscal impact on total state revenue. Oversight does not currently have the resources or ability to produce an independent estimate. Therefore, Oversight will reflect the revenues listed below as estimated by MGC:

ASSUMPTION (continued)

Provision	<u>State Impact - Estimated by MGC</u>					Fund to Deposit
	FY21	FY22	FY23	FY24	FY25	
Cert of Authority App Fee (Initial) 313.1006	\$325,000	\$0	\$0	\$0	\$0	Gaming Commission Fund
Cert Holder Admin Fee (Annual after the first year) 313.1021	\$0	\$650,000	\$650,000	\$650,000	\$650,000	Gaming Commission Fund
Cert Holder Reinvestigation Fee (in the 5 th year and each 5 th year thereafter) 313.1021	\$0	\$0	\$0	\$0	\$130,000	Gaming Commission Fund
Sports Wagering Platform License App Fee (Initially) 313.1010	\$325,000	\$0	\$0	\$0	\$0	Gaming Commission Fund
Sports Wagering Platform License Annual Review Fee (Annual after the first year) 313.1010	\$0	\$650,000	\$650,000	\$650,000	\$650,000	Gaming Commission Fund
Total Fees Collected	\$650,000	\$1,300,000	\$1,300,000	\$1,300,000	\$1,430,000	Gaming Fund
AGR tax (90%)*	\$8,953,060	\$8,953,060	\$8,953,060	\$8,953,060	\$8,953,060	Gaming for Education Fund
Total State Impact	\$9,603,060	\$10,253,060	\$10,253,060	\$10,253,060	\$10,383,060	
	<u>Local Impact</u>					
Dock* Cities/Counties (10% AGR tax)	\$994,784	\$994,784	\$994,784	\$994,784	\$994,784	

*9% of \$110,531,610 AGR
 Source: MGC

ASSUMPTION (continued)

MGC estimates needing two FTEs, an Information Technology Specialist I and a Public Safety Manager Band I if this bill passes at an annual salary of \$71,726 each. These FTEs would result in an additional cost to the MGC of \$196,182 for FY 2021 (including salary, fringe, supplies, equipment, and travel/lodging related to job performance).

Besides the 2 FTE positions, MGC also estimates an additional cost to the Gaming Fund of approximately \$718,217 (which represents 2.5% of MGC existing budget) each year. This cost represents the average number of hours and expenses to cover the costs of current background investigators, financial investigators, compliance auditors and tax auditors needed to license and regulate sports wagering.

Oversight does not have any information contrary to that provided by MGC. Therefore, Oversight will reflect MGC's impact for fiscal note purposes.

Officials from the **Department of Revenue (DOR)** assume the following:

Section 313.1021

This proposed section states that 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 with to conduct sports wagering at a certificate holders' licensed facility, the third party contractor shall fulfill the certificate holder's duties under this section.

This proposed section states that the 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.

This proposed section states that 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 sporting 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 sports wagering fund established under section 313.835.

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 a 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 sports wagering fund established under section 313.835.

ASSUMPTION (continued)

Methodology

Using the Oxford Economics report titled “Economic Impact of Legalized Sports Betting,” the Department believes TSR will increase an estimated \$16.3 – \$20.5 million. This report breaks out the possible revenue impacts into three categories. They are Limited Availability, Moderate Availability, and Convenient Availability. For the purpose of this fiscal note response, the Department utilized the Moderate Availability, due to the proposed legislation allowing sports wagering to occur in any of Missouri’s casinos, and online. If online wagering would have not been permitted, the Department would have used the Limited Availability number, and if it were to be treated like the lottery, Convenient Availability would have been used.

\$202,200,000 - \$253,300,000 (Moderate Availability AGR Estimate per Oxford report)
 \$18,198,000 - \$22,797,000 (9% tax imposed on AGR)
 Breakout of the 9% per Section 313.822 RSMo.

\$18,198,000 - \$22,797,000 (9% tax imposed on AGR)
 10% to Dock Cities (Local) - \$1,819,800 - \$2,279,700
 90% to Gaming Proceeds for Education Fund - \$16,378,200 - \$20,517,300

Oversight currently does not have the data or resources available to produce independent revenue projections, including an Economist to estimate the elasticity of demand for sports wagering in relation to other games of chance offered at casinos or the Missouri Lottery. Therefore, for purposes of this fiscal note, Oversight will range the anticipated revenue from the “low” estimates of the MGC to DOR’s estimate.

	MGC	DOR (low)	DOR (high)
Sports Betting Adjusted Gross Receipts	\$110,531,610	\$202,200,000	\$253,300,000
9% tax on AGR (state portion - 90%)	\$8,953,060	\$16,378,200	\$20,517,300
9% tax on AGR (local portion - 10%)	\$994,784	\$1,819,800	\$2,279,700

Officials from the **Lottery Commission (LOT)** state §313.230 allows parlay lottery games based on the outcome of sporting events. If the Lottery begins offering parlay lottery games based on the outcome of sporting events, proceeds to education are estimated to be \$59.4 million the first partial year (FY 2021), \$114 million the first full year (FY 2022), and \$116.4 million the second full year (FY 2023). Wagers and revenue estimates are based on the forecast of revenues from Global Market Advisors (Nov 2017) and assume a 6.5% hold which is on par with the Nevada market. Distribution assumed across total Lottery retail network and through mobile. Proceeds to education for FY 2024 and FY 2025 are projected to be \$118.7 million and \$121.1 million, respectively.

ASSUMPTION (continued)

This legislation allows the Lottery Commission to offer parlay lottery games based on the outcome of sporting events. Proceeds after payment of prizes and administrative expenses would be transferred to the Lottery Proceeds Fund, to be appropriated solely for public institutions of elementary, secondary and higher education.

Oversight does not have any information contrary to that provided by LOT. Therefore, Oversight will reflect LOT's impact for fiscal note purposes.

For the purpose of this proposed legislation, officials from the **Office of State Public Defender (SPD)** state they cannot assume that existing staff will provide effective representation for any new cases arising where indigent persons are charged with the proposed new crime of engaging in, facilitates, or conceals conduct that improperly influences a betting outcome of a sporting event for the purpose of financial gain, a new class E felony. The Missouri State Public Defender System is currently providing legal representation in caseloads in excess of recognized standards.

In Fiscal Year 2019, SPD's Trial Division opened 13 gambling cases of the 62,002 total cases opened.

While the number of new cases (or cases with increased penalties) may be too few or uncertain to request additional funding for this specific bill, the SPD will continue to request sufficient appropriations to provide effective representation in all cases where the right to counsel attaches.

Oversight notes over the last three fiscal years, the SPD has lapsed a total of \$153 of General Revenue appropriations (\$2 out of \$28.0 million in FY 2017; \$150 out of \$42.5 million in FY 2018; and \$1 out of \$46.0 million in FY 2019). Therefore, Oversight assumes the SPD is at maximum capacity, and the increase in workload resulting from this bill cannot be absorbed with SPD's current resources.

Adding one additional Assistant Public Defender 1 (APD) with a starting salary of \$47,000, will cost approximately \$74,500 per year in personal service and fringe benefit costs. One additional APD II (\$52,000 per year; eligible for consideration after 1 year of successful performance at APD I) will cost the state approximately \$81,000 per year in personal service and fringe benefit costs. When expense and equipment costs such as travel, training, furniture, equipment and supplies are included, Oversight assumes the cost for a new APD could approach \$100,000 per year.

Oversight assumes the SPD cannot absorb the additional caseload that may result from this proposal within their existing resources and, therefore, will reflect a potential additional cost of (Less than \$100,000) per year to the General Revenue Fund.

ASSUMPTION (continued)

Officials from the **Department of Corrections (DOC)** state FN 3586-02 creates a class E felony for someone who knowingly engages in, facilitates, or conceals 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.

This bill creates a new nonviolent class E felony offense. For each new nonviolent class E felony, the DOC estimates one person will be sentenced to prison and two to probation. The average sentence for a nonviolent class E felony offense is 3.4 years, of which 2.1 years will be served in prison with 1.4 years to first release. The remaining 1.3 years will be on parole. Probation sentences will be 3 years.

The cumulative impact on the DOC is estimated to be two additional offenders in prison and seven on field supervision by FY 2023.

	# to prison	Cost per year	Total Costs for prison	# to probation & parole	Cost per year	Total cost for probation and parole	Grand Total - Prison and Probation (includes a 2% inflation)
Year 1	1	(\$6,386)	(\$5,322)	2	absorbed	\$0	(\$5,322)
Year 2	2	(\$6,386)	(\$13,027)	4	absorbed	\$0	(\$13,027)
Year 3	2	(\$6,386)	(\$13,288)	7	absorbed	\$0	(\$13,288)
Year 4	2	(\$6,386)	(\$13,554)	7	absorbed	\$0	(\$13,554)
Year 5	2	(\$6,386)	(\$13,825)	7	absorbed	\$0	(\$13,825)
Year 6	2	(\$6,386)	(\$14,101)	7	absorbed	\$0	(\$14,101)
Year 7	2	(\$6,386)	(\$14,383)	7	absorbed	\$0	(\$14,383)
Year 8	2	(\$6,386)	(\$14,671)	7	absorbed	\$0	(\$14,671)
Year 9	2	(\$6,386)	(\$14,964)	7	absorbed	\$0	(\$14,964)
Year 10	2	(\$6,386)	(\$15,264)	7	absorbed	\$0	(\$15,264)

If this impact statement has changed from statements submitted in previous years, it is because the DOC has changed the way probation and parole daily costs are calculated to more accurately reflect the way the Division of Probation and Parole is staffed across the entire state.

ASSUMPTION (continued)

In December 2019, the DOC reevaluated the calculation used for computing the Probation and Parole average daily cost of supervision and revised the cost calculation to be used for 2020 fiscal notes. For the purposes of fiscal note calculations, the DOC averaged district caseloads across the state and came up with an average caseload of 51 offender cases per officer. The new calculation assumes that an increase/decrease of 51 cases would result in a change in costs/cost avoidance equal to the cost of one FTE staff person. Increases/decreases smaller than 51 offenders are assumed to be absorbable.

In instances where the proposed legislation would only affect a specific caseload, such as sex offenders, the DOC will use the average caseload figure for that specific type of offender to calculate cost increases/decreases. For instances where the proposed legislation affects a less specific caseload, DOC projects the impact based on prior year(s) actual data for DOC's 44 probation and parole districts.

The DOC cost of incarceration is \$17.496 per day or an annual cost of \$6,386 per offender. The DOC cost of probation or parole is determined by the number of P&P Officer II positions that would be needed to cover the new caseload.

Oversight assumes the DOC is provided with core funding to handle a certain amount of activity each year. Oversight assumes the DOC could absorb the costs related to this proposal.

Oversight notes provisions of 313.1018 provide for civil penalties of not more than \$5,000 for each violation against any person, firm, agent who knowingly violates any procedure implemented under §§313.1000 to 313.1024. Civil penalties collected per Article IX, Section 7 of the Missouri Constitution requires fines to be distributed to the school district where the violation occurred; therefore, Oversight will reflect a positive fiscal impact of \$0 to Unknown to local school districts on the fiscal note.

Bill as a Whole

Officials from the **Office of Administration - General Services (OA/GS)** state §313.1024.2 states that a higher education institution, among others, 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 §§313.1000 to 313.1024.

ASSUMPTION (continued)

Additionally, §313.1024.3 states 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. This could create a cause of action against higher education institutions for violation of 313.1024.2, which could be an expense to the Legal Expense Fund, if such an action were successfully brought.

The state self-assumes its own liability under the state Legal Expense Fund, §105.711 RSMo. It is a self-funding mechanism whereby funds are made available for the payment of any claim or judgment rendered against the state in regard to the waivers of sovereign immunity or against employees and specified individuals. Investigation, defense, negotiation or settlement of such claims is provided by the Office of the Attorney General. Payment is made by the Commissioner of Administration with the approval of the Attorney General.

If a claim were successfully brought against a state agency alleging a violation of this legislation, the Legal Expense Fund could be required to pay such claim or claims. The number of potential claims, the severity of those claims, and the ultimate costs associated with any settlement or judgment resulting from those claims cannot be forecasted with any degree of assurance to their accuracy.

OA/GS assumes that no state employee or agency would violate the proposal. Therefore, it is assumed that no successful claims will be made against the Legal Expense Fund and the proposal would thus have no fiscal impact upon the OA/GS. However, should that assumption prove incorrect, significant costs could be incurred by the Legal Expense Fund.

Oversight does not have any information contrary to that provided by OA/GS. Therefore, Oversight will reflect OA/GS's zero impact for fiscal note purposes.

In response to a similar proposal from 2020 (HB 2030), officials from the **Office of the Secretary of State (SOS)** stated many bills considered by the General Assembly include provisions allowing or requiring agencies to submit rules and regulations to implement the act. The SOS is provided with core funding to handle a certain amount of normal activity resulting from each year's legislative session. The fiscal impact for this fiscal note to the SOS for Administrative Rules is less than \$5,000. The SOS recognizes that this is a small amount and does not expect that additional funding would be required to meet these costs. However, the SOS also recognizes that many such bills may be passed by the General Assembly in a given year and that collectively the costs may be in excess of what the office can sustain with the core budget. Therefore, the SOS reserves the right to request funding for the cost of supporting administrative rules requirements should the need arise based on a review of the finally approved bills signed by the governor.

ASSUMPTION (continued)

Oversight assumes the SOS could absorb the costs of printing and distributing regulations related to this proposal. If multiple bills pass which require the printing and distribution of regulations at substantial costs, the SOS could require additional resources.

Officials from the **Joint Committee on Administrative Rules (JCAR)** state the legislation is not anticipated to cause a fiscal impact to JCAR beyond its current appropriation.

Oversight assumes JCAR will be able to administer any rules resulting from this proposal with existing resources.

Officials from the **Missouri Office of Prosecution Services (MOPS)** assume the proposal will have no measurable fiscal impact on MOPS. The creation of a new crime creates additional responsibilities for county prosecutors which may, in turn, result in additional costs, which are difficult to determine.

Oversight notes the **Attorney General's Office, Department of Higher Education, Department of Public Safety - Alcohol and Tobacco Control** and the **Veterans' Commission, the Department of Social Services, the Department of Agriculture, the Department of Transportation, the Office of State Courts Administrator, the State Treasurer's Office, State Technical College of Missouri, and the St. Louis County Police Department, the St. Louis County Department of Justice Services, the City of Kansas City, and the Springfield Police Department** have each stated the proposal would not have a direct fiscal impact on their respective organizations. Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for these agencies.

Oversight only reflects the responses that we have received from state agencies and political subdivisions; however, other colleges and universities were requested to respond to this proposed legislation but did not. A general listing of political subdivisions included in our database is available upon request.

This proposal could increase Total State Revenue.

<u>FISCAL IMPACT -</u> <u>State Government</u>	FY 2021 (10 Mo.)	FY 2022	FY 2023	Fully Implemented (FY 2025)
GENERAL REVENUE FUND				
<u>Income</u> - from Lottery Proceeds Fund	\$416,667	\$512,500	\$525,313	\$551,906
<u>Costs</u> - MHP (\$313.429)				
Personal Services	(\$924,312)	(\$1,115,622)	(\$1,126,778)	(\$1,149,426)
Fringe Benefits	(\$825,226)	(\$996,027)	(\$1,005,987)	(\$1,026,208)
Vehicle and Equipment	(\$877,198)	\$0	\$0	\$0
Weapons and Personal Equipment	(\$62,650)	\$0	\$0	\$0
Computer Equipment	(\$829)	\$0	\$0	\$0
Office Equipment	(\$2,028)	\$0	\$0	\$0
Expenses - gas, cell phone, uniform allowance, vehicle maintenance	(\$158,658)	(\$195,149)	(\$200,027)	(\$210,153)
<u>Total Costs - MHP</u>	<u>(\$2,850,901)</u>	<u>(\$2,306,798)</u>	<u>(\$2,332,792)</u>	<u>(\$2,385,787)</u>
FTE Change - MHP	15 FTE	15 FTE	15 FTE	15 FTE
<u>Costs</u> - SPD (\$313.813, 313.817, 313.830) Salaries, fringe benefits, and equipment and expense	(Less than \$100,000)	(Less than \$100,000)	(Less than \$100,000)	(Less than \$100,000)

<u>FISCAL IMPACT - State Government</u>	FY 2021 (10 Mo.)	FY 2022	FY 2023	Fully Implemented (FY 2025)
GENERAL REVENUE FUND (Continued)				
<u>Costs - DOC</u> (§313.429) Increased incarceration costs	<u>(\$21,287)</u>	<u>(\$52,110)</u>	<u>(\$73,084)</u>	<u>(\$76,037)</u>
ESTIMATED NET EFFECT ON THE GENERAL REVENUE FUND	<u>(Less than \$2,555,521)</u>	<u>(Less than \$1,946,408)</u>	<u>(Less than \$1,980,563)</u>	<u>(Less than \$2,009,918)</u>
Estimated Net FTE Change for the General Revenue Fund	15 FTE	15 FTE	15 FTE	15 FTE
HIGHWAY FUNDS (0644)				
<u>Savings - MHP</u> (§313.429) Replacing existing Sergeant(s) with probationary troopers (less expensive)	<u>Unknown</u>	<u>Unknown</u>	<u>Unknown</u>	<u>Unknown</u>
ESTIMATED NET EFFECT ON HIGHWAY FUNDS	<u>Unknown</u>	<u>Unknown</u>	<u>Unknown</u>	<u>Unknown</u>
Estimated Net FTE Change for the Highway Fund	0 FTE	0 FTE	0 FTE	0 FTE

<u>FISCAL IMPACT -</u> <u>State Government</u>	FY 2021 (10 Mo.)	FY 2022	FY 2023	Fully Implemented (FY 2025)
STATE LOTTERY FUND (0682)				
<u>Revenue - LOT</u>				Could exceed...
Initial Application				
Fees	\$587,771	\$705,325	\$705,325	\$705,325
Renewal Fees	\$0	\$1,609,850	\$1,609,850	\$1,609,850
VLT Proceeds (36% of AGR)	<u>\$86,150,000</u>	<u>\$172,500,000</u>	<u>\$258,700,000</u>	<u>\$258,700,000</u>
Total Revenue - LOT	<u>\$86,737,771</u>	<u>\$174,815,175</u>	<u>\$261,015,175</u>	<u>\$261,015,175</u>
<u>Transfer Out - To municipalities 4% of AGR of video lottery game to municipalities to cover admin. costs (\$313.429.10)</u>	(\$9,572,222)	(\$19,166,667)	(\$28,744,444)	(Could exceed \$28,744,444)
<u>Transfer Out - to Lottery Proceeds Fund (32% of AGR) (\$313.429.10)</u>	(\$76,577,778)	(\$153,333,333)	(\$229,955,556)	(Could exceed \$229,955,556)
<u>Transfer Out - to Compulsive Gamblers Fund (1% of fees collected \$313.429.11)</u>	(\$5,878)	(\$23,152)	(\$23,152)	(Could exceed \$23,152)
ESTIMATED NET EFFECT ON THE STATE LOTTERY FUND	<u>\$581,893</u>	<u>\$2,292,023</u>	<u>\$2,292,023</u>	Could exceed <u>\$2,292,023</u>

<u>FISCAL IMPACT -</u> <u>State Government</u>	FY 2021 (10 Mo.)	FY 2022	FY 2023	Fully Implemented (FY 2025)
LOTTERY PROCEEDS FUND (0291)				
<u>Revenue</u> - LOT Sale of parlay sports lottery games	\$860,800,000	\$1,756,700,000	\$1,792,600,000	\$1,866,500,000
<u>Transfer In</u> - from State Lottery Fund to be appropriated to DESE for transportation programs	\$76,577,778	\$153,333,333	\$229,955,556	Could exceed \$229,955,556
<u>Cost</u> - LOT				
Personal Service	(\$1,013,157)	(\$1,227,941)	(\$1,240,220)	(\$1,268,805)
Fringe Benefits	(\$586,069)	(\$707,319)	(\$711,397)	(\$720,890)
Equipment and Expense	(\$528,332)	(\$114,946)	(\$117,820)	(\$123,290)
Advertising, Promotions and Point-of-Sale	(\$1,250,000)	(\$1,537,500)	(\$1,575,938)	(\$1,655,719)
Capital Improvements	(\$81,667)	(\$100,450)	(\$102,961)	(\$108,174)
Contract with State Law Enforcement	(\$416,667)	(\$512,500)	(\$525,313)	(\$551,906)
Sports betting platform, player account management, sportsbook operations	(\$17,933,333)	(\$43,917,500)	(\$44,815,000)	(\$46,625,526)
Prizes for Lottery sports games	(\$731,680,000)	(\$1,493,195,000)	(\$1,523,710,000)	(\$1,586,500,000)
Retailer commissions for Lottery sports games	<u>(\$51,648,000)</u>	<u>(\$105,402,000)</u>	<u>(\$107,556,000)</u>	<u>(\$111,901,262)</u>
Total Costs - LOT	<u>(\$805,137,225)</u>	<u>(\$1,646,715,156)</u>	<u>(\$1,680,354,649)</u>	<u>(\$1,749,455,572)</u>
FTE Change - LOT	26 FTE	26 FTE	26 FTE	26 FTE

<u>FISCAL IMPACT -</u> <u>State Government</u>	FY 2021 (10 Mo.)	FY 2022	FY 2023	Fully Implemented (FY 2025)
LOTTERY PROCEEDS FUND (0291) (Continued)				
<u>Loss - LOT - Lost profits from Keno and Pull-Tab Sales from competition</u>	<u>(\$14,453,922)</u>	<u>(\$14,743,000)</u>	<u>(\$15,037,860)</u>	<u>(Could exceed \$15,037,860)</u>
ESTIMATED NET EFFECT ON THE LOTTERY PROCEEDS FUND	<u>\$117,786,631</u>	<u>\$248,575,177</u>	<u>\$327,163,047</u>	<u>Could exceed \$331,962,124</u>
Estimated Net FTE change to the Lottery Proceeds Fund	26 FTE	26 FTE	26 FTE	26 FTE
COMPULSIVE GAMBLERS FUND (0249)				
<u>Revenue - LOT (\$313.429.13) Fines imposed from violations of Lottery vendor/licensee - up to \$10,000 per occurrence</u>	\$0 to Unknown	\$0 to Unknown	\$0 to Unknown	\$0 to Unknown
<u>Transfer In - from the State Lottery Fund (\$313.429.11)</u>	\$5,878	\$23,152	\$23,152	Could exceed \$23,152

FISCAL IMPACT -
State Government

**COMPULSIVE
 GAMBLERS
 FUND (0249)**
 (Continued)

Cost - DMH -
 Administrative cost
 for treating
 additional
 consumers (assumed
 to be limited to
 proceeds into the
 fund from video
 lottery estimates)

FY 2021
 (10 Mo.)

FY 2022

FY 2023

Fully
 Implemented
 (FY 2025)

(\$5,878)

(\$23,152)

(\$23,152)

(Could exceed
\$23,152)

**ESTIMATED NET
 EFFECT ON THE
 COMPULSIVE
 GAMBLERS
 FUND**

\$0 to Unknown

\$0 to Unknown

\$0 to Unknown

\$0 to Unknown

FISCAL IMPACT -
State Government

FY 2021
(10 Mo.)

FY 2022

FY 2023

Fully
Implemented
(FY 2025)

**CRIMINAL
RECORDS
SYSTEM FUND
(0671)**

Revenue - MHP
(§313.429)
Background check
fees

Unknown

Unknown

Unknown

Unknown

**ESTIMATED NET
EFFECT ON THE
CRIMINAL
RECORDS
SYSTEM FUND**

Unknown

Unknown

Unknown

Unknown

FISCAL IMPACT -
State Government

	FY 2021 (10 Mo.)	FY 2022	FY 2023	Fully Implemented (FY 2025)
GAMING COMMISSION FUND (0286)				
<u>Revenue - MGC</u> (§313.1010) Initial Application Fee				
	\$325,000	\$0	\$0	\$0
<u>Revenue - MGC</u> (§313.1010) Sports Wagering Platform License App Fee				
	\$325,000	\$0	\$0	\$0
<u>Revenue - MGC</u> (§313.1010) Sports Wagering Platform License Annual Renewal Fee				
	\$0	\$650,000	\$650,000	\$650,000
<u>Revenue - MGC</u> (§313.1019) Royalty of 1/4 of 1%				
	\$10,633,152	\$10,633,152	\$10,633,152	\$10,633,152
<u>Revenue - MGC</u> (§313.1021) Cert Holder Admin Fee				
	\$0	\$650,000	\$650,000	\$650,000
<u>Revenue - MCG</u> (§313.1021) Certificate Holder Reinvestigation Fee				
	\$0	\$0	\$0	\$130,000

FISCAL IMPACT -
State Government

	FY 2021 (10 Mo.)	FY 2022	FY 2023	Fully Implemented (FY 2025)
GAMING COMMISSION FUND (0286) (Continued)				
<u>Cost - MGC</u> (§313.1019) Payment of royalty revenue to registered sports governing bodies	(\$5,316,575)	(\$5,316,575)	(\$5,316,575)	(\$5,316,575)
<u>Cost - MGC</u> (§313.1020) Payment of Royalty revenue to selected NCAA colleges	(\$5,316,575)	(\$5,316,575)	(\$5,316,575)	(\$5,316,575)
<u>Cost - MGC</u> (§313.1021)				
Personal Services	(\$119,543)	(\$144,887)	(\$146,335)	(\$149,277)
Fringe Benefits	(\$58,900)	(\$71,157)	(\$71,638)	(\$72,615)
Equipment and Expenses	(\$17,739)	(\$11,874)	(\$12,171)	(\$12,786)
Investigators and auditors to license and regulate sports wagering	<u>(\$598,514)</u>	<u>(\$736,172)</u>	<u>(\$754,577)</u>	<u>(\$792,777)</u>
Total Cost - MGC	<u>(\$794,696)</u>	<u>(\$964,090)</u>	<u>(\$984,721)</u>	<u>(\$1,027,455)</u>
FTE Change - MGC	2 FTE	2 FTE	2 FTE	2 FTE

FISCAL IMPACT -
State Government

	FY 2021 (10 Mo.)	FY 2022	FY 2023	Fully Implemented (FY 2025)
GAMING COMMISSION FUND (0286) (Continued)				

Loss - MGC Loss of
revenue resulting
from video lottery
competition

(Unknown)	(Unknown)	(Unknown)	(Unknown)
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**ESTIMATED NET
EFFECT TO THE
GAMING
COMMISSION
FUND**

<u>(Unknown, exceeding \$144,694)</u>	<u>Less than \$335,912</u>	<u>Less than \$315,281</u>	<u>Less than \$402,547</u>
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Estimated Net FTE
Change to the
Gaming
Commission Fund

2 FTE	2 FTE	2 FTE	2 FTE
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**GAMING
PROCEEDS FOR
EDUCATION
FUND (0285)**

Revenue - 90% of
the 9% Wagering
Tax §313.1021 p. 6
& 9

<u>\$7,460,883 to \$17,097,750</u>	<u>\$8,953,060 to \$20,517,300</u>	<u>\$8,953,060 to \$20,517,300</u>	<u>\$8,953,060 to \$20,517,300</u>
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**ESTIMATED NET
EFFECT TO THE
GAMING
PROCEEDS FOR
EDUCATION
FUND**

<u>\$7,460,883 to \$17,097,750</u>	<u>\$8,953,060 to \$20,517,300</u>	<u>\$8,953,060 to \$20,517,300</u>	<u>\$8,953,060 to \$20,517,300</u>
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<u>FISCAL IMPACT -</u> <u>Local Government</u>	FY 2021 (10 Mo.)	FY 2022	FY 2023	Fully Implemented (FY 2025)
LOCAL HOME DOCKS				
<u>Revenue</u> - Cities and Counties compensation paid to municipalities or counties - 4% AGR	\$9,572,222	\$19,166,667	\$28,744,444	Could exceed \$28,744,444
Revenue - Home Dock City or County 10% of the 9% Wagering Tax §313.1021	\$828,987 to \$1,899,750	\$994,784 to \$2,279,700	\$994,784 to \$2,279,700	\$994,784 to \$2,279,700
<u>Revenue</u> - School districts (§§313.429 and 313.1018) Fines from violations	\$0 to Unknown	\$0 to Unknown	\$0 to Unknown	\$0 to Unknown
<u>Loss</u> - Home Dock Cities and Counties - loss of gaming revenue from video lottery competition	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
ESTIMATED NET EFFECT TO THE LOCAL HOME DOCKS	<u>\$10,401,209 to</u> <u>\$11,471,972</u>	<u>\$20,161,451 to</u> <u>\$21,446,367</u>	<u>\$29,739,228 to</u> <u>\$31,024,144</u>	<u>Could exceed</u> <u>\$29,739,228 to</u> <u>\$31,024,144</u>

FISCAL IMPACT - Small Business

This legislation could have an impact on small businesses that sell sports lottery games and Video Lottery Terminals.

FISCAL DESCRIPTION

MISSOURI VIDEO LOTTERY CONTROL ACT

This bill establishes the Missouri Video Lottery Control Act, which is the framework for the use of video terminals.

This bill allows the Lottery Commission to implement a system of video lottery game terminals and to issue licenses to video lottery game manufacturers, distributors, operators, handlers, and retailers, as defined. The Commission shall not allow a single vendor or licensee to be responsible for implementing video lottery game terminals, nor shall it allow a single vendor or licensee to control or operate more than 25% percent of video lottery game terminals in the state after December 31, 2025.

Video lottery game terminals shall be connected to a centralized computer system developed or procured by the Commission. No video lottery game terminal shall be placed in operation without first connecting to such centralized computer system.

The Commission may impose a non-refundable application fee, as described. The initial license shall be for a period of one year. Thereafter, the license renewal period shall be four years with the applicable license renewal fee paid for each year such license is renewed, as described in the bill. In addition to the license fees, video lottery game operators shall pay the Commission an annual license fee of \$200 for each video lottery game terminal placed in service.

No license shall be issued to any person who has been convicted of a felony or crime involving illegal gambling. Sales agents must 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.

Licensed video lottery game operators shall pay winning tickets using a video lottery game ticket redemption terminal, which 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 to the Commission 32% of any unclaimed cash prizes associated with winning tickets that have not been redeemed within 180 days of issue.

Video lottery game operators and video lottery game retailers shall enter into a written agreement for the placement of video lottery game terminals. The agreement shall specify an equal division of adjusted gross receipts between the operator and retailer after adjustments for taxes and administrative fees are made. Video lottery game operators and video lottery game retailers are prohibited from offering anything of value other than the percentage of adjusted gross receipts for the placement of video lottery terminals. Persons violating such prohibition forfeit the right to operate video lottery game terminals for a one-year period.

FISCAL DESCRIPTION (continued)

The cost of video lottery game terminal credits shall be \$0.01, \$0.05, \$0.10, or \$0.25, and the maximum wager played per video lottery game shall not exceed \$5.00. No cash award for the maximum wager played on any individual lottery game shall exceed \$1,000.

Operators shall not operate more than 10 terminals at any one fraternal organization, veterans organization, or truck-stop, and not more than five terminals in any one establishment licensed to sell liquor by the drink for on-premise consumption.

A person under the age of 21 shall not play video lottery games, and such video lottery game terminals shall be under the supervision of a person that is at least 21 years of age. 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 the age of 21 is prohibited. Recorded video surveillance shall be made available as reasonably and specifically requested by the Commission. An operator that fails to review such video and report any known violation of law may be subject to an administrative fine not to exceed \$5,000. Any operator or retailer found to have knowingly committed a violation of provisions governing the conduct of video lottery games may be subject to a fine of \$5,000, the suspension of such operator's retailer's license for up to 30 days, or, in the case of repeated violations, the revocation of such operator's or retailer's license for up to one year.

Video lottery game operators shall pay to the Commission 36% of the video lottery game adjusted gross receipts. The net proceeds of the sale of video lottery game tickets 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 and public institutions of higher education workforce development programs. The Commission shall compensate the administrative costs of the city or county in which a video lottery retailer maintains an establishment in an amount equal to 4% of the video lottery game adjusted gross receipts.

The remainder of video lottery game adjusted gross receipts, after the cost of the centralized computer system and administrative costs are paid and apportioned, shall be retained by video lottery game operators and shall be split equally between video lottery game operators and video lottery game retailers as provided under an agreement.

All revenues collected by the Commission from license renewal fees and any reimbursements associated with the enforcement of the act shall be appropriated for administrative expenses associated with supervising and enforcing the provisions of this bill.

FISCAL DESCRIPTION (continued)

The Commission shall contract with a state law enforcement entity to assist in conducting investigations into applicants for licenses and to investigate violations of the provisions of this bill.

The use or possession of any video gaming terminal, gambling machine, or device capable of simulating lottery games, games of chance, or gambling games, and that is not licensed by the Lottery Commission or Gaming Commission shall be punishable under the provisions of Chapter 572, RSMo, relating to illegal gambling. Any lottery vendor or licensee violating such provisions shall be guilty of a Class D felony and fined up to \$10,000 per occurrence. The Commission shall suspend or revoke the license of any vendor or licensee that allows the use of any prohibited video gaming terminal.

Participation in the state lottery under this bill shall not be construed to be a lottery or gift enterprise in violation of Article III, Section 39 of the Constitution of Missouri, and shall not constitute a valid reason for the denial or revocation of a permit to sell liquor (Section 313.433).

This bill allows a municipality or county to adopt an ordinance within 180 days of the effective date of this bill prohibiting video lottery game terminals within the municipality or county (Section 313.435).

SPORTS WAGERING

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

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

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).

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. Such licensed facilities shall apply to the Missouri Gaming Commission for authorization to conduct sports wagering, and shall pay an application fee of \$25,000. 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 (Section 313.1006).

FISCAL DESCRIPTION (continued)

Certificate holders shall designate an area within the licensed facility for conducting sports wagering. 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 (Section 313.1008).

An interactive sports wagering platform, as defined, may apply to the Commission for authority to offer sports wagering on behalf of a certificate holder. Such interactive sports wagering platform shall submit an application fee of \$25,000. Each year after licensure, an interactive sports wagering platform shall submit an annual license renewal fee of \$50,000 (Section 313.1010).

The Commission shall promulgate rules for a sports wagering selfexclusion program, as described in the bill. 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 these sections. Such background checks shall include a search for criminal history and any charges or convictions involving corruption or manipulation of sporting events.

A sports governing body may notify the Commission that it desires to restrict, limit, or exclude sports wagers, as defined in the bill, on its sporting events, including restrictions on sources of data and associated video upon which an operator may rely in offering and paying wagers. The Commission may deny such request if it determines that it is arbitrary and capricious. Except in certain emergency situations, such restrictions shall not apply to tier one sports wagers on non-exhibition games or events of professional sports organizations, as defined.

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 or through automated computer programs. However, within 30 days of a sports governing body notifying the Commission of its desire to supply official league data to certificate holders for determining the results of tier two wagers, as defined in the bill, certificate holders shall only use official league data to determine the results of such wagers. Certificate holders shall not purchase or utilize any personal biometric data of an athlete, as defined, without written permission from the athlete's exclusive bargaining representative.

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

FISCAL DESCRIPTION (continued)

A certificate holder must 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 in a 24-hour period, 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).

Any person who knowingly violates any procedure implemented shall be liable for a civil penalty of not more than \$5,000 for each violation, not to exceed \$50,000 for violations arising out of the same transaction or occurrence. Such person shall also be subject to actions and penalties provided under current law, provided that any such financial penalties shall not exceed those provided for in the bill.

Any person who places, or causes to be placed, a bet or wager on the basis of material nonpublic information relating to that bet or wager, or who knowingly engages in, facilitates, or conceals 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 shall be guilty of a class E felony. The term "material nonpublic information" shall include personal biometric data (Section 313.1018).

Within 30 days of the end of each calendar quarter, a certificate holder shall remit to the Commission a royalty fee of 0.25% of the amount wagered on sporting events conducted during the previous calendar quarter by sports governing bodies that have registered with the Commission, as described in the bill. No later than April 30 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. Any unclaimed royalty fees shall be distributed to certificate holders that timely remitted such fees (Section 313.1019).

Within 30 days of the end of each calendar quarter, a certificate holder shall remit to the Commission a royalty fee of 0.25% of the amount wagered on sporting events involving at least one NCAA Football Bowl Subdivision football team or at least one NCAA Division I basketball team. No later than April 30 of each year, the Commission shall disburse such royalty fees evenly among the public universities in this state that sponsor an NCAA Football Bowl Subdivision football team or NCAA Division I basketball team.

The royalty fees received by public universities under this act shall be used solely for athletics compliance (Section 313.1020).

FISCAL DESCRIPTION (continued)

A tax is imposed at a rate of 9.0% 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 administrative fee of \$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 bill 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).

The Commission must establish a hotline or other method of communication that allows any person to confidentially report information about any conduct that the person believes is a violation of the provisions of this bill. The Commission shall investigate all reasonable allegations and shall refer credible allegations to the appropriate law enforcement agency.

Sports wagering operators, sports governing bodies, professional sports franchises, and higher education institutions 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 this bill.

An employee may bring an action at law or equity for relief from a violation of this provision, as described. Such action shall be commenced no later than 180 days from the later of the date on which the violation occurs or the date on which the employee became aware of the violation (Section 313.1024).

This legislation is not federally mandated, would not duplicate any other program but would require additional capital improvements or rental space.

SOURCES OF INFORMATION

Attorney General's Office
Department of Elementary and Secondary Education
Department of Higher Education
Department of Mental Health
Department of Corrections
Department of Revenue
Department of Public Safety
Department of Social Services
Joint Committee on Administrative Rules
Lottery Commission
Department of Agriculture
Department of Transportation
Missouri Office of Prosecution Services
Office of Administration
Office of State Courts Administrator
Office of Secretary of State
State Public Defender's Office
State Treasurer's Office
St. Louis County Police Department
St. Louis County Department of Justice Services
City of Kansas City
Springfield Police Department
State Technical College of Missouri



Julie Morff
Director
January 21, 2020



Ross Strope
Assistant Director
January 21, 2020