

It is a class A misdemeanor punishable, notwithstanding the provisions of section 560.021, RSMo, to the contrary, for a term of imprisonment not to exceed one year in the county jail or a fine not to exceed ten thousand dollars or both, for anyone to sign any initiative petition with any name other than his or her own, or knowingly to sign his or her name more than once for the same measure for the same election, or to sign a petition when such person knows he or she is not a registered voter.

County: _____

Page No: _____

INITIATIVE PETITION

To the Honorable John R. Ashcroft, Secretary of State for the state of Missouri:

We, the undersigned, registered voters of the state of Missouri and _____ County (or City of St. Louis), respectfully order that the following proposed amendment to the constitution shall be submitted to the voters of the state of Missouri, for their approval or rejection, at the general election to be held on the 5th day of November, 2024, and each for himself or herself says: I have personally signed this petition; I am a registered voter of the state of Missouri and _____ County (or City of St. Louis); my registered voting address and the name of the city, town or village in which I live are correctly written after my name.

[OFFICIAL BALLOT TITLE]

CIRCULATOR'S AFFIDAVIT

STATE OF MISSOURI, COUNTY OF _____ I, _____ being first duly sworn, say (print names of signers)

| | NAME (Signature) | DATE Signed | REGISTERED VOTING ADDRESS (Number)(Street), (City, Town Or Village) | ZIP CODE | CONG. DIST. | NAME (Printed or Typed) |
|-----|---------------------|----------------|--|-------------|----------------|----------------------------|
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[Handwritten Signature]

signed this page of the foregoing petition, and each of them signed his or her name thereto in my presence; I believe that each has stated his or her name, registered voting address and city, town or village correctly, and that each signer is a registered voter of the state of Missouri and _____ County (or city of St. Louis). FURTHERMORE, I HEREBY SWEAR OR AFFIRM UNDER PENALTY OF PERJURY THAT ALL STATEMENTS MADE BY ME ARE TRUE AND CORRECT AND THAT I HAVE NEVER BEEN CONVICTED OF, FOUND GUILTY OF, OR PLED GUILTY TO ANY OFFENSE INVOLVING FORGERY. I am at least 18 years of age. I do ___ do not ___ (check one) expect to be paid for circulating this petition. If paid, list the payer: _____

Subscribed and sworn to before me this _____ day of _____, A.D.

Signature of Affiant (Person obtaining signatures)

Street Address of Affiant

Printed Name of Affiant

City, State and Zip Code of Affiant

Signature of Notary

Address of Notary

(Seal)

NOTICE: The proposed amendment revises Article III of the Constitution by adopting one new section to be known as Article III, Section 39(g).

Be it resolved by the people of the state of Missouri that the Constitution be amended as follows:

Section A. Article III of the Constitution is revised by adopting one new Section to be known as Article III, Section 39(g) to read as follows:

Section 39(g) 1. The people of the state of Missouri hereby find and declare that the interests of the public are best served by a well-regulated sports wagering industry that will provide substantial tax revenue to support educational institutions in Missouri.

2. Notwithstanding any other provision of law to the contrary, any entity licensed by the Commission may offer sports wagering:

a. through an online sports wagering platform to individuals physically located in this state;

b. at excursion gambling boats; and

c. at any location within each sports district, as approved by each applicable professional sports team that plays its home games in such sports district.

3. a. The Commission shall issue not more than one retail license to operate sports wagering in this state to each qualified applicant that is:

(1) an excursion gambling boat or a sports wagering operator operating on behalf of each such excursion gambling boat that has applied for a retail license to offer sports wagering at such excursion gambling boat; or

(2) a professional sports team or a sports wagering operator designated by each such professional sports team that has applied for a retail license to offer sports wagering within the applicable sports district in which such professional sports team plays its home games.

b. The Commission shall issue not more than one mobile license to operate sports wagering in this state to each qualified applicant that is:

(1) an owner of an excursion gambling boat located in this state or a sports wagering operator operating on behalf of each such owner, provided, however, that not more than one sports wagering operator shall be permitted to operate under such mobile license on behalf of any entity, or group of commonly owned or controlled entities, which owns, directly or indirectly, more than one excursion gambling boat located in this state; or

(2) a professional sports team or a sports wagering operator designated by each such professional sports team.

c. The Commission shall issue not more than three mobile licenses to operate sports wagering in this state directly to qualified applicants that are sports wagering operators. Each sports wagering operator shall only be eligible for one mobile license. If there are more than three qualified applicants for a mobile license to be issued by the Commission directly to a sports wagering operator under this section, the Commission shall select the applicant based on the applicant's demonstrable history of generating tax revenue as a licensed sports wagering operator in at least ten comparable jurisdictions as of November 5, 2024.

4. An applicant for a license to conduct sports wagering shall apply to the Commission on a form and in the manner prescribed by the Commission. The Commission shall conduct background checks of each applicant or key persons of such applicant and shall not award a license to any applicant if such applicant or key person of such applicant has been convicted of a felony or any gambling offense in any state or federal court of the United States. If a professional sports team designates a sports wagering operator to operate on its behalf, then that sports wagering operator, rather than the professional sports team, shall submit to the Commission for licensure and shall be considered the licensee for all aspects of Commission oversight and regulatory control.

5. Retail and mobile license applicants shall be required to pay a license fee.

a. An applicant for a retail license shall be required to pay a license fee prescribed by the Commission, not to exceed \$250,000. Retail licensees shall be required to pay a license renewal fee every five years, as prescribed by the Commission, not to exceed \$250,000.

b. An applicant for a mobile license shall be required to pay a license fee prescribed by the Commission, not to exceed \$500,000. Mobile licensees shall be required to pay a license renewal fee every five years, as prescribed by the Commission, not to exceed \$500,000.

7. All sports wagering fees prescribed by the Commission and collected by the state shall be appropriated as follows:

a. to reimburse the reasonable expenses incurred by the Commission to regulate sports wagering; and

b. to the extent all reasonable expenses incurred by the Commission have been reimbursed, the remaining fees shall be deposited in the Compulsive Gambling Prevention Fund.

8. No licensee shall offer sports wagering to individuals in this state who are under twenty-one years of age.

9. A mobile licensee shall maintain in this state, or any other location approved by the Commission and consistent with federal law, the computer server or servers used to receive transmissions of requests to place wagers and that transmit confirmation of acceptance of wagers on sports events placed by customers physically present in this state.

10. Subject to and consistent with the terms of this section, the Commission shall have the power to adopt and enforce reasonable rules, including emergency rules, to implement the provisions of this section. No rule or portion of a rule promulgated under the authority of this section shall become effective unless it has been promulgated pursuant to the provisions of Chapter 536. The Commission shall promulgate reasonable rules including, but not limited to:

a. standards governing the security and integrity of sports wagering, including requiring the use of official league data from each applicable sports governing body headquartered in the United States to determine the outcome of in-play wagers on a professional athlete or sporting event if made available to licensees on commercially reasonable terms;

b. requiring licensees to cooperate with investigations conducted by law enforcement agencies, regulatory bodies, and sports governing bodies;

c. prohibiting all sports wagering activity, including sports wagering promotional and advertising activity, within a sports district, unless approved by the professional sports team that plays its home games within the district, except such rules shall not prohibit any licensee from offering sports wagering through an online sports wagering platform to persons physically located within a sports district;

d. requiring licensees and sports wagering operators to use commercially and technologically reasonable means to ensure that marketing and advertisements do not purposefully target minors or individuals who have self-excluded from sports wagering, are not false, misleading or deceptive, and clearly disclose the material terms of any offer included in any promotion or advertisement;

e. standards for the use and distribution of monies from the Compulsive Gambling Prevention Fund to include, but not be limited to research, detection, and prevention of compulsive gambling in this state and the implementation of treatment and recovery programs or services related to compulsive gambling in this state;

f. establishing fines, placing licensees on probation, and revoking licenses for violations of this section; and

g. establishing a start date for all sports wagering that is not later than December 31, 2025. No sports wagering shall be offered in the state before such start date established by the Commission.

11. a. Notwithstanding any other provision of law, including Article III Section 39(d), to the contrary, a wagering tax of 10% is imposed on the adjusted gross revenue received from sports

wagering conducted by each licensee and each sports wagering operator acting on behalf of a licensee.

b. The annual revenues received from such tax shall be appropriated for institutions of elementary, secondary, and higher education in the state; provided, however, that an appropriation to such educational institutions shall be made only after such annual wagering tax revenues are appropriated as follows:

(i) to reimburse the reasonable expenses incurred by the Commission to regulate sports wagering in the state to the extent that the Commission has not been fully reimbursed for such expenses from the sports wagering fees collected by the state; and

(ii) to the Compulsive Gambling Prevention Fund until the Compulsive Gambling Prevention Fund has \$5,000,000 in total assets.

c. Such revenues shall not be included within the definition of “total state revenues” in Section 17 of Article X of this Constitution.

d. The state auditor shall perform an annual audit of the revenues received and appropriated pursuant to this section to ensure they are being used only for authorized purposes. The state auditor shall make such audit available to the public, the governor, and the general assembly.

12. There is hereby created in the state treasury the "Compulsive Gambling Prevention Fund", which shall consist of taxes and fees collected under this section. The state treasurer shall be custodian of the fund, and he or she shall invest monies in the fund in the same manner as other funds are invested. Any interest and monies earned on such investments shall be credited to the fund. Notwithstanding any other provision of law to the contrary, any monies remaining in the fund at the end of a biennium shall not revert to the credit of the general revenue fund. The fund shall be a dedicated fund and shall stand appropriated without further legislative action.

13. As used in this section the following terms shall mean:

a. “Adjusted gross revenue,” the total of all cash and cash equivalents received by a licensee from sports wagering minus the total of:

(1) All cash and cash equivalents paid out as winnings to sports wagering patrons;

(2) The actual costs paid by a licensee for anything of value provided to and redeemed by patrons, including merchandise or services distributed to sports wagering patrons to incentivize sports wagering;

(3) Voided or cancelled wagers;

(4) The costs of free play or promotional credits provided to and redeemed by the applicable licensee’s patrons, provided that the aggregate amount of such costs of free play or promotional credits that may be deducted under this paragraph in any calendar month shall not exceed twenty-five percent of the total of all cash and cash equivalents received by the applicable licensee for such calendar month;

(5) Any sums paid as a result of any federal tax, including federal excise tax; and

(6) Uncollectible sports wagering receivables, not to exceed two percent of the total of all sums, less the amount paid out as winnings to sports wagering patrons.

(7) If the amount of adjusted gross receipts in a calendar month is a negative figure, the certificate holder shall remit no sports wagering tax for that calendar month. Any negative adjusted gross receipts shall be carried over and calculated as a deduction in the subsequent calendar months until the negative figure has been brought to a zero balance.

b. “Commission,” means the Missouri Gaming Commission;

c. “Excursion gambling boat” means an excursion gambling boat or floating facility as described in Article III, Section 39(e);

d. “License” means any retail license or mobile license.

e. “Licensee” means the holder of any license.

f. “Mobile license” means a license, granted by the Commission, authorizing the licensee to offer sports wagering, through an online sports wagering platform, to individuals physically located in this state.

g. “Online sports wagering platform” means an online-enabled application, Internet website, or other electronic or digital technology used to offer, conduct, or operate online sports wagering.

h. “Professional sports team” means a team located in this state that is a member of the National Football League, Major League Baseball, the National Hockey League, the National Basketball Association, Major League Soccer, the Women’s National Basketball Association, or the National Women’s Soccer League.

i. “Retail license” means a license, granted by the Commission, authorizing the licensee to offer sports wagering in person to individuals at such locations described in paragraphs (b) and (c) of Article III, Section 39(g)(2), as applicable.

j. “Sports district,” means the premises of a facility located in this state with a capacity of 11,500 people or more, at which one or more professional sports teams plays its home games, and the surrounding area within 400 yards of such premises;

k. “Sports wagering,” means wagering on professional or collegiate athletic, sporting, and other competitive events and awards involving human participants including, but not limited to, esports, or other events as approved by the Commission. The term sports wagering shall include, but not be limited to, bets or wagers made on: portions of athletic and sporting events or on the individual statistics of professional or collegiate athletes in a sporting event or compilation of sporting events. Sports wagering shall not include a fantasy sports contest comprising multiple participants, not including a fantasy sports contest operator, in which winning outcomes reflect the relative knowledge and skill of the participants and are predominantly determined by the accumulated statistical performance of athletes or individuals. Sports wagering shall not include wagering on youth or high school events or wagering on the performance or nonperformance of any individual athlete participating in a single game or match of a collegiate sporting event in which a collegiate team from this state is a participant.

l. “Sports wagering operator,” means an entity that offers sports wagering or has been organized for the purpose of offering sports wagering.

14. Notwithstanding any other provision of law, including Article III, Section 39(9), to the contrary, the general assembly may enact laws consistent with this section.

15. All provisions of this section are severable. If any provision of this section is found by a court of competent jurisdiction to be unconstitutional or unconstitutionally enacted, the remaining provisions of this section shall be and remain valid.