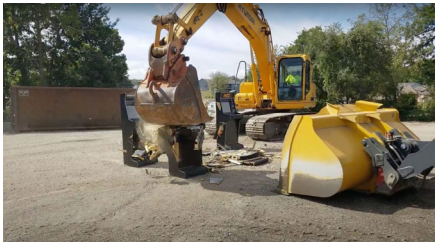


MISSOURI GAMING

HOME DOCK CITIES PERSPECTIVE

1



2

**IN THE CIRCUIT COURT OF PLATTE COUNTY, MISSOURI
SIXTH JUDICIAL CIRCUIT**

Eric G. Zahnd, Platte County Prosecuting Attorney, State of Missouri, upon information and belief, charges that the defendant, **INTEGRITY VENDING, LLC**:

COUNT I

In violation of In violation of Section 572.030 RSMo, committed the class E felony of promoting gambling in the first degree, punishable upon conviction under Sections 558.011 and 560.011, RSMo, in that on or about October 10, 2018, in the County of Platte, State of Missouri, the defendant knowingly set up and operated a slot machine located at 7500 NW River Park Drive, Parkville, MO.

3

Gambling Statutes - Criminal Law

572.010 Chapter definitions

(4) "Gambling", a person engages in gambling when he or she stakes or risks something of value upon the outcome of a contest of chance or a future contingent event not under his or her control or influence, upon an agreement or understanding that he or she will receive something of value in the event of a certain outcome.....

Gambling does not include any licensed activity, or persons participating in such games which are covered by sections [313.800 to 313.840](#);

4

Gambling Statutes - Criminal Law

572.030 Promoting Gambling in the first degree

1. A person commits the offense of promoting gambling in the first degree if he or she knowingly advances or profits from unlawful gambling or lottery activity by:

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Missouri Constitutional Provisions for Gaming

III Section 39(e). Riverboat gambling authorized on Missouri and Mississippi Rivers — boats in moats authorized. — The general assembly is authorized to permit upon the Mississippi and Missouri Rivers only,

which shall include artificial spaces that contain water and that are within 1000 feet of the closest edge of the main channel of either of those rivers,

lotteries, gift enterprises and games of chance to be conducted on excursion gambling boats and floating facilities.

(Adopted November 8, 1994) (Amended November 3, 1998).

6

Missouri Constitutional Provisions for Gaming

313.780. Licensing of additional excursion gambling boats restricted, when. — The Missouri gaming commission *shall not* authorize additional excursion gambling boat licenses after November 4, 2008, that exceed the number of licenses which have been approved for excursion gambling boats already built and those under construction.....

(L. 2008 Adopted by Initiative, Proposition A, § 3, November 4, 2008)

7

Missouri Gaming Statutes Section 313.800 to 313.850 RSMo

313.805. Powers of commission. — The commission shall have full jurisdiction over and shall supervise all gambling operations governed by sections [313.800 to 313.850](#).

The commission shall have the following powers and shall promulgate rules and regulations to implement sections [313.800 to 313.850](#):

8

Missouri Gaming Statutes Section 313.800 to 313.850 RSMo

- (1) To investigate applicants...
- (2) To license the operators of excursion gambling boats and operators of gambling games....
- (3) To adopt standards for the facilities within which the gambling operations are to be held....
- (4) To enter the premises of excursion gambling boats, facilities, or other places of business of a licensee within this state to determine compliance with sections [313.800 to 313.850](#);
- (5) To investigate alleged violations of sections [313.800 to 313.850](#) or the commission rules, orders, or final decisions;

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**Missouri Gaming Statutes
Section 313.800 to 313.850 RSMo**

- (6) To assess any appropriate administrative penalty against a licensee, including, but not limited to,
 - suspension, revocation, and penalties of an amount as determined by the commission up to *three times the highest daily amount of gross receipts* derived from wagering on the gambling games, whether unauthorized or authorized, conducted during the previous twelve months as well as
 - confiscation and forfeiture of all gambling game equipment used in the conduct of unauthorized gambling games.
 - Forfeitures pursuant to this section shall be enforced as provided in sections [513.600 to 513.645](#);

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**Missouri Gaming Statutes
Section 313.800 to 313.850 RSMo**

- (7) To require a licensee, an employee of a licensee or holder of an occupational license to remove a person violating a provision of sections [313.800 to 313.850](#) or the commission rules, orders, or final orders, or other person deemed to be undesirable from the excursion gambling boat or adjacent facilities;
- (8) To require the removal from the premises of a licensee, an employee of a licensee, or a holder of an occupational license for a violation of sections [313.800 to 313.850](#) or a commission rule or engaging in a fraudulent practice;
- (9) To require all licensees to file all financial reports required by rules and regulations of the commission;
- (10) To issue subpoenas for the attendance of witnesses and subpoenas duces tecum for the production of books, records, and other pertinent documents, and to administer oaths and affirmations to the witnesses, when, in the judgment of the commission, it is necessary to enforce sections [313.800 to 313.850](#) or the commission rules;
- (11) To keep accurate and complete records of its proceedings and to certify the records as may be appropriate;

11

**Missouri Gaming Statutes
Section 313.800 to 313.850 RSMo**

- (12) To ensure that the gambling games are conducted fairly. No gambling device shall be set to pay out less than eighty percent of all wagers;
- (13) To require all licensees of gambling game operations to use a cashless wagering system whereby all players' money is converted to physical or electronic tokens, electronic cards, or chips which only can be used on the excursion gambling boat;
- (14) To require excursion gambling boat licensees to develop a system, approved by the commission, that allows patrons the option to prohibit the excursion gambling boat licensee from using identifying information for marketing purposes.
- (15) To determine which of the authorized gambling games will be permitted on any licensed excursion gambling boat;

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First Annual Report Missouri Gaming Commission

“The five member Commission is charged with maintaining public confidence in legalized gambling and ensuring that no criminal elements are allowed to infiltrate licensed gaming operations.”

13

First Annual Report Missouri Gaming Commission

“It is important that the Commission do its job well so that public confidence in the gaming industry is established, thereby allowing the industry to reach its goals of economic development, job creation and the promotion of Missouri as a major tourist attraction.”

14

**2018 ANNUAL REPORT
Missouri Gaming Commission Mission Statement**

The Missouri Gaming Commission will regulate charitable and commercial gaming in a manner which promotes a positive impact on the State and ensures the integrity of the industry.”

15

1999 ANNUAL REPORT
Missouri Gaming Commission

- the Commission's primary focus is to serve Missouri citizens by honestly and efficiently enforcing the gaming law and the rules and regulations.

16

1999 ANNUAL REPORT
Missouri Gaming Commission

- By so doing, the Commission administers a system that will produce a strong economic benefit in the form of employment, additional tax income and increased economic development.

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1999 ANNUAL REPORT
Missouri Gaming Commission

- The economic development produced by this activity *has not been limited to gaming operations* but has involved non-gaming economic development as well.
- ... the home dock cities will have received almost \$60 million to help them fund programs for public safety and improving the infrastructure of their communities.

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MISSOURI GAMING – ECONOMIC IMPACT

In FY 2022, Missouri casinos:

• Employed	5,891 people
• Paid Wages	\$250.7M
• Direct gaming taxes to state & local home-dock governments	\$400M
• State admission fees to special state funds & home-dock governments	\$59.5M
• Gross Gaming Revenue	\$1.9 BILLION
• Real Estate and Sales Taxes	\$50.1M
• Total Gaming and Other Taxes	\$509.6M
• CAPITAL INVESTMENTS	\$3.26 BILLION

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MISSOURI GAMING COMMISSION CHARGE 2001 ANNUAL REPORT - MARKET SATURATION*

- The Commission's charge is to issue licenses to applicants that best serve the interests of the citizens of Missouri.

*Missouri Gaming Commission 2001 Annual Report -Page 21

20

MISSOURI GAMING COMMISSION CHARGE 2001 ANNUAL REPORT - MARKET SATURATION*

- In order to fulfill this responsibility, the Commission evaluates each market to determine whether new gaming capacity can be added **without unduly impacting previously licensed facilities.**

*Missouri Gaming Commission 2001 Annual Report -Page 21

21

MISSOURI GAMING COMMISSION CHARGE
2001 ANNUAL REPORT - MARKET SATURATION*

• *The Commission has been hesitant to license a facility that would create an oversaturated market **because of the negative impact it would have on local government budgets that are formulated based on expected gaming revenues.***

• *Missouri Gaming Commission 2001 Annual Report -Page 21

22

MISSOURI GAMING COMMISSION CHARGE
2001 ANNUAL REPORT - MARKET SATURATION*

• In addition, **oversaturated markets** in high gaming tax states, like Missouri, **have a strong tendency to result in undesirable business practices, lax regulatory compliance** and cost cutting measures that negatively affect the overall quality of the gaming facilities.

• *Missouri Gaming Commission 2001 Annual Report -Page 21

23

MISSOURI GAMING COMMISSION CHARGE
2001 ANNUAL REPORT - MARKET SATURATION*

• Furthermore, it would result in **displacement and unemployment among casino workers, thus harming Missouri families.**

• *Missouri Gaming Commission 2001 Annual Report -Page 21

24

**MISSOURI GAMING COMMISSION CHARGE
2001 ANNUAL REPORT - MARKET SATURATION***

- Therefore, the Commission strives to avoid oversaturation of the market.

* Missouri Gaming Commission 2001 Annual Report - Page 21

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**Video Lottery Terminals
A Threat to Economic Development
Estimated Impact to Argosy**

- Assumptions based on VLT impact in Illinois
- **20%** decline in visitation
- **20%** decline in gross gaming revenue
- **20%** decline in food & beverage revenue based on visitation decline

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**Video Lottery Terminals
A Threat to Economic Development**

INFRASTRUCTURE AND USES BY CITY

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MISSOURI GAMING
INTEGRITY, ACCOUNTABILITY,
FISCAL RESPONSIBILITY

• THE GAMING INDUSTRY AND THE REGULATION OF GAMES OF CHANCE IN MISSOURI IS THE RESULT OF THE ALIGNMENT OF INTEREST OF:

- THE GAMING INDUSTRY
- ALL THREE BRANCHES OF GOVERNMENT AND
- **THE VOICE AND VOTE OF THE PEOPLE**

THE Home Dock Cities Association URGES THE LEGISLATURE TO REFUSE TO EXPAND GAMING TO ALMOST ANY STREET CORNER IN THE STATE.
