

HB 747 -- FINANCIAL TRANSACTIONS OF GAMING ESTABLISHMENTS

SPONSOR: Scharnhorst

COMMITTEE ACTION: Voted "Do Pass" by the Committee on General Laws by a vote of 13 to 1.

This bill changes the laws regarding financial transactions on excursion gambling boats. The bill:

(1) Defines "credit instrument" as a written check, negotiable instrument, automatic bank draft or other authorization from a qualified person to an excursion gambling boat licensee or any of its affiliated companies licensed by the Missouri Gaming Commission authorizing the licensee to withdraw the amount of credit extended by the licensee to the person from the qualified person's banking account on or after a date certain of no more than 30 days from the date the credit was extended including any writing taken in consolidation, redemption, or payment of a previous credit instrument, but not including any interest-bearing installment loan or other extension of credit secured by collateral;

(2) Defines "qualified person" as a person who has completed a credit application provided by the licensee and who is determined by the licensee, after performing a credit check and applying usual standards to establish creditworthiness, to qualify for a line of credit. Once a determination is made, no additional credit checks are required;

(3) Allows a licensee of an excursion gambling boat to accept credit instruments from a qualified person in exchange for chips, tokens or electronic tokens, or other forms of credit that can be used to wager on any gambling game at the licensee's excursion gambling boat. A lost or destroyed credit instrument will remain valid and enforceable if the party seeking enforcement can prove its existence and terms;

(4) Specifies that any person violating these provisions will be subject to the penalties in Section 313.812, RSMo; and

(5) Prohibits the Missouri Gaming Commission from having any authority to determine the validity or enforceability of a credit instrument or the debt that the credit instrument represents.

PROPOSERS: Supporters say that the bill streamlines financial transactions and will result in more money for schools. The bill supports tourism by allowing out-of-state visitors to obtain a credit line. Gaming establishments in other states already allow this, and the convenience is important to customers in this type of

marketplace. Currently, visitors are choosing not to utilize the state's gaming establishments because of their inability to obtain a line of credit. The bill will allow the customers to choose.

Testifying for the bill were Representative Scharnhorst; Neil Walkoff, Pinnacle Entertainment; St. Louis Convention and Visitors Commission; St. Louis County Economic Council; Missouri Gaming Association; City of St. Louis; and Missouri Chamber of Commerce and Industry.

OPPONENTS: Opponents of the bill say that some of the provisions of the bill are troublesome. More specifically, only one credit check is required of a person, and the authority the commission has in dealing with lines of credit could become an issue.

Testifying against the bill was Missouri Family Network.