

INFORMATION ABOUT AMENDMENT 2

The Deceptive Online Gambling Amendment

Out-of-state online gambling corporations are asking Missouri voters to approve **Amendment 2**, a November 2024 Constitutional Amendment that would legalize online sports gambling in Missouri. These corporations are claiming that their ballot measure is an education funding measure. In fact, there's **no guarantee** that a single penny would go to the State to fund schools. Any money raised from sports gambling would give politicians a “**blank check**” to spend the money however they want, with **no accountability**.

Here's why Missouri voters should OPPOSE this deceptive measure:

WRITTEN IN SECRET FOR THE BENEFIT OF OUT-OF-STATE GAMBLING CORPORATIONS

- Amendment 2 was written by the out-of-state online gambling corporations who stand to make billions by legalizing online sports gambling in Missouri. They wrote Amendment 2 in secret, behind closed doors, with no public hearings or input.
- Their deceptive measure is filled with special loopholes!
- Amendment 2 allows them a free rein to make billions of dollars while giving themselves huge tax deductions so they can avoid paying tax revenues to the State.

IT'S A BAD DEAL FOR MISSOURI: THERE IS NO GUARANTEE A SINGLE PENNY WOULD BE PROVIDED TO THE STATE

- The measure's promoters are deceptively marketing this massive expansion of gambling as a funding mechanism for education. But the State's own independent analysis determined there's no guarantee that a single penny will be raised to fund schools or education.
- “Due to wording in [Amendment 2], the Department of Revenue assumes this IP will not generate any revenue to the state,” the analysis says.¹
- In fact, the Missouri Department of Revenue determined that because gambling operators would be permitted to deduct promotional credits and free play as well as federal taxes, they would be allowed to pay “zero gaming taxes for sports wagering.”
- We only need to look to our neighboring state of Kansas to see the corporations' false promises. In February 2023, Kansans wagered more than \$194 million in sports bets. But, the state only received about \$1,000 in state tax revenue because of these same deductions.²

MISSOURI STATE AUDITOR'S OFFICE FISCAL NOTE (24-160)

“The proposal also does not give collection authority or deposit authority to any other agency including the Department. Therefore it appears these retail license fees **will not generate any revenue to the state, the Commission, or to the Compulsive Gaming Prevention Fund.**”

¹ Missouri State Auditor's Office. “Fiscal Note (24-160).” 24 October 2023

² Schaden, Marco. “The month the Chiefs won the Super Bowl, Kansans bet \$194 million on sports but the state got only \$1,134.” Wichita Beacon, 14 June 2023

ANY MONEY THAT COULD POSSIBLY BE RAISED BY THE AMENDMENT WOULD JUST GIVE POLITICIANS A BLANK CHECK, WITH NO ACCOUNTABILITY

- The fiscal review conducted by The Missouri State Auditor's Office determined Amendment 2 is deeply flawed because it fails to designate a state agency to collect or distribute any money raised from sports gambling to the State of Missouri.
- Because it is "not clear as to where the [taxes and fees] are to be deposited,"³ any money raised would just go straight into the general fund, giving a "Blank Check" to politicians to spend the money however they want, with no accountability.



AMENDMENT 2 WOULD LOCK THIS DECEPTIVE AND DEEPLY FLAWED MEASURE'S MASSIVE EXPANSION OF GAMBLING INTO OUR STATE CONSTITUTION

- All the flaws in this very Bad Deal for Missouri would be locked into our State Constitution for years, requiring passage of another constitutional amendment to repeal or even modify it.
- Our State Constitution should be protected from measures like Amendment 2 that would only benefit special interests.

IF SPORTS WAGERING IS GOING TO BE BROUGHT TO MISSOURI, AMENDMENT 2 IS THE WRONG WAY TO DO IT

- Amendment 2 was written by special interests to benefit special interests, not Missourians.
- If sports wagering is to be brought to Missouri, the state itself should create a common-sense plan to allow responsible sports wagering that will provide stronger regulations and actually generate revenue for our state priorities, like schools.

³ Missouri State Auditor's Office. "Fiscal Note (24-160)." 24 October 2023

Join our growing coalition of Missourians working to
Defeat Amendment 2:
The Deceptive Online Gambling Amendment

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