

Does Amendment 2 — The Deceptive Online Gambling

Amendment — really “guarantee” funding for Missouri schools?

Why Parents, Teachers and Educators Should Vote NO on 2

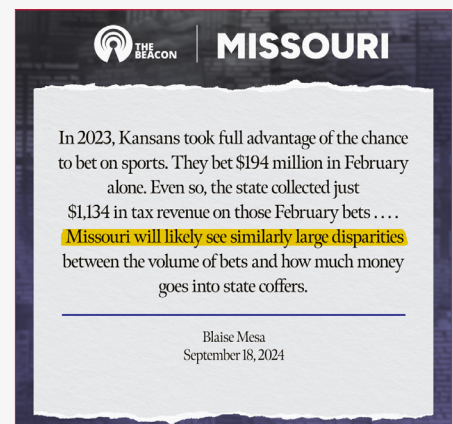
Background: Out-of-state online gambling corporations are asking Missouri voters to approve Amendment 2, a November 2024 Constitutional Amendment that would legalize online sports gambling in Missouri. These corporations are claiming that their ballot measure is an education funding measure. It is not. In fact, there’s no guarantee that a single penny would go to the State to fund schools. Here’s why Parents, Teachers and Educators Should Vote NO on Amendment 2:

AMENDMENT 2 WAS WRITTEN IN SECRET BY TWO OUT-OF-STATE ONLINE GAMBLING CORPORATIONS FOR THEIR OWN BENEFIT, NOT FOR MISSOURI SCHOOLS.

- Amendment 2 was written by two out-of-state online gambling corporations, with no input from Missouri educators.
- It gives them the power to operate online sports gambling and free rein to make billions.
- These corporations are spending millions of dollars on advertising, deceptively marketing their measure as a funding mechanism for education. But, make no mistake that **this measure is entirely about legalizing online sports gambling.**

THERE IS NO GUARANTEE A SINGLE PENNY WOULD BE PROVIDED TO THE STATE TO FUND SCHOOLS OR EDUCATION.

- The State’s official analysis, conducted by the Missouri State Auditor’s Office (Fiscal Note 24-160), determined that Amendment 2 could generate no money.
- That’s because gambling operators would be permitted to deduct promotional credits and free play (to encourage gambling), as well as federal taxes.
- The State Auditor’s official report found that these out-of-state gambling corporations could pay “zero gaming taxes for sports wagering” after all these self-serving deductions are made.
- “Zero gaming taxes for sports wagering” means zero dollars for schools.
- We only need to look to our neighboring state of Kansas to see how this scenario plays out. The Kansas based publication, Lawrence Journal-World, report that 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.
- These same out-of-state online gambling corporations want Missourians to pass a similarly bad deal, and they’re making false claims to our educators in the process.



THE MISSOURI DEPARTMENT OF REVENUE DETERMINED AMENDMENT 2 WOULD NOT GENERATE ANY REVENUE TO THE STATE.

- The language in the State Auditor’s Fiscal Note underscores Amendment 2’s glaring flaw: Because it is “not clear as to where the [taxes and fees] are to be deposited...the Department of Revenue assumes this [Amendment] will not generate any revenue to the state.”

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.**

AND, ANY MONEY THAT COULD POSSIBLY BE RAISED BY AMENDMENT 2 WOULD JUST GIVE POLITICIANS A “BLANK CHECK,” WITH NO ACCOUNTABILITY.

- Out-of-state gambling corporations are even going so far as to claim that this flawed initiative will do specific things, like increase teacher salaries.
- In reality, the proponents specifically omitted important language, called a “non-supplant” mandate, that would have legally ensured additional tax dollars actually get to schools and education.
- Even if the measure creates new revenue (after all the self-serving deductions are made), it would allow politicians to legally divert existing dollars away from education and simply back-fill with any new revenue. The end result would be no increase in education funding.
- In a September 12 phone interview, State Senator Karla May told KMOV Channel 4 that, in theory, the legislature could simply redirect existing education money, put it toward something else, and use gambling money to fill the education gap.
- This type of “shell game” results in zero additional dollars for schools and a “blank check” for politicians to spend the money however they want, with no accountability.

OUT-OF-STATE ONLINE GAMBLING CORPORATIONS ARE SPENDING MILLIONS TO DECEIVE PARENTS, TEACHERS, EDUCATORS AND VOTERS.

- Amendment 2’s promoters are using students and teachers as a gimmick to pass online sports gambling while giving themselves huge tax deductions.
- Even their advertising contains blatant falsehoods, including the “guarantee” of “tens of millions of dollars” to Missouri’s classrooms. Amendment 2 contains no such guarantee.

EVEN IF A SINGLE DOLLAR IS RAISED FROM SPORTS WAGERING AFTER ALL THOSE DEDUCTIONS, FIRST IT GOES TO STATE ADMINISTRATORS . . . THEN TO A STATE FUND TO HELP PROBLEM GAMBLERS . . . AND THEN TO MISSOURI SCHOOLS. IT WILL BE A DROP IN THE BUCKET TO EDUCATORS.

- Promoters are ignoring the fact that any money that could possibly be raised from sports betting would first go to the Missouri Gaming Commission, then to a fund that helps problem gamblers, and then to educators.
- Even if a single dollar is raised, it shortchanges our schools.
- The current State budget for Missouri schools and higher education is 11 billion dollars. So, even if Amendment 2 raised the “tens of millions of dollars” that the proponents claim, it will be a fraction of 1% of the current budget for schools and higher education.

Missouri’s teachers and students deserve better.

That’s why our campaign — Missourians Against the Deceptive Online Gambling Amendment — is working to share the facts. We know educators are tired of these false promises.

To learn more and join our growing coalition, please visit NoAmendment2.com