

FIRST REGULAR SESSION

HOUSE BILL NO. 1056

102ND GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE MCMULLEN.

2210H.011

DANA RADEMAN MILLER, Chief Clerk

AN ACT

To repeal sections 311.660, 311.680, 311.710, 311.720, 313.004, 313.255, 572.010, 572.015, and 572.100, RSMo, and to enact in lieu thereof nine new sections relating to illegal gambling, with penalty provisions.

Be it enacted by the General Assembly of the state of Missouri, as follows:

Section A. Sections 311.660, 311.680, 311.710, 311.720, 313.004, 313.255, 572.010, 2 572.015, and 572.100, RSMo, are repealed and nine new sections enacted in lieu thereof, to 3 be known as sections 311.660, 311.680, 311.710, 311.720, 313.004, 313.255, 572.010, 4 572.015, and 572.100, to read as follows:

311.660. 1. The supervisor of [~~liquor~~] **alcohol and tobacco** control shall have the 2 authority to suspend or revoke for cause all such licenses; and to make the following 3 regulations, without limiting the generality of provisions empowering the supervisor of 4 [~~liquor~~] **alcohol and tobacco** control as in this chapter set forth as to the following matters, 5 acts and things:

6 (1) Fix and determine the nature, form and capacity of all packages used for 7 containing intoxicating liquor of any kind, to be kept or sold under this law;

8 (2) Prescribe an official seal and label and determine the manner in which such seal or 9 label shall be attached to every package of intoxicating liquor so sold under this law; this 10 includes prescribing different official seals or different labels for the different classes, 11 varieties or brands of intoxicating liquor;

12 (3) Prescribe all forms, applications and licenses and such other forms as are 13 necessary to carry out the provisions of this chapter, except that when a licensee substantially 14 complies with all requirements for the renewal of a license by the date on which the

EXPLANATION — Matter enclosed in bold-faced brackets [~~thus~~] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

15 application for renewal is due, such licensee shall be permitted at least an additional ten days
16 from the date notice is sent that the application is deficient, in which to complete the
17 application;

18 (4) Prescribe the terms and conditions of the licenses issued and granted under this
19 law;

20 (5) Prescribe the nature of the proof to be furnished and conditions to be observed in
21 the issuance of duplicate licenses, in lieu of those lost or destroyed;

22 (6) Establish rules and regulations for the conduct of the business carried on by each
23 specific licensee under the license, and such rules and regulations if not obeyed by every
24 licensee shall be grounds for the revocation or suspension of the license;

25 (7) The right to examine books, records and papers of each licensee and to hear and
26 determine complaints against any licensee;

27 (8) To issue subpoenas and all necessary processes and require the production of
28 papers, to administer oaths and to take testimony;

29 (9) Prescribe all forms of labels to be affixed to all packages containing intoxicating
30 liquor of any kind; ~~and~~

31 (10) **To refer to the Missouri gaming commission, Missouri state highway patrol,**
32 **and local law enforcement agencies any suspected illegal gambling activity punishable**
33 **under chapter 572 being conducted on the premises of a location licensed under this**
34 **chapter; and**

35 (11) To make such other rules and regulations as are necessary and feasible for
36 carrying out the provisions of this chapter, as are not inconsistent with this law.

37 2. Notwithstanding subsection 1 of this section, the supervisor of ~~[liquor]~~ **alcohol and**
38 **tobacco** control shall not prohibit persons from participating in the sale of intoxicating liquor
39 within the scope of their employment solely on the basis of being found guilty of any felony
40 offense, except for prohibitions set forth in sections 311.191 and 311.193.

311.680. 1. Whenever it shall be shown, or whenever the supervisor of ~~[liquor]~~
2 **alcohol and tobacco** control has knowledge, that a person licensed hereunder has not at all
3 times kept an orderly place or house, or has violated any of the provisions of this chapter, the
4 supervisor of ~~[liquor]~~ **alcohol and tobacco** control may warn, place on probation on such
5 terms and conditions as the supervisor of ~~[liquor]~~ **alcohol and tobacco** control deems
6 appropriate for a period not to exceed twelve months, suspend or revoke the license of that
7 person, but the person shall have ten days' notice of the application to warn, place on
8 probation, suspend or revoke the person's license prior to the order of warning, probation,
9 revocation or suspension issuing.

10 2. Any wholesaler licensed pursuant to this chapter in lieu of, or in addition to, the
11 warning, probation, suspension or revocation authorized in subsection 1 of this section, may

12 be assessed a civil penalty by the supervisor of ~~[liquor]~~ **alcohol and tobacco** control of not
13 less than one hundred dollars or more than twenty-five hundred dollars for each violation.

14 3. Any solicitor licensed pursuant to this chapter in lieu of the suspension or
15 revocation authorized in subsection 1 of this section may be assessed a civil penalty or fine by
16 the supervisor of ~~[liquor]~~ **alcohol and tobacco** control of not less than one hundred dollars
17 nor more than five thousand dollars for each violation.

18 4. Any retailer with less than five thousand occupant capacity licensed pursuant to
19 this chapter in lieu of the suspension or revocation authorized by subsection 1 of this section
20 may be assessed a civil penalty or fine by the supervisor of ~~[liquor]~~ **alcohol and tobacco**
21 control of not less than fifty dollars nor more than one thousand dollars for each violation.

22 5. Any retailer with five thousand or more occupant capacity licensed pursuant to this
23 chapter in lieu of the suspension or revocation authorized by subsection 1 of this section, may
24 be assessed a civil penalty or fine by the supervisor of ~~[liquor]~~ **alcohol and tobacco** control
25 of not less than fifty dollars nor more than five thousand dollars for each violation.

26 6. **(1) Upon notification by the Missouri gaming commission or a law**
27 **enforcement agency of possession of a gambling device, as defined pursuant to section**
28 **572.010, by a person licensed pursuant to this chapter, the supervisor of alcohol and**
29 **tobacco control shall suspend or revoke the license of such person on such terms and**
30 **conditions as the supervisor of alcohol and tobacco control deems appropriate, provided**
31 **such person shall be given ten days to remove such gambling device from the premises**
32 **prior to the supervisor of alcohol and tobacco control taking action under this**
33 **subsection. Upon a second or subsequent notification pursuant to this subsection of the**
34 **possession of a gambling device by a person licensed pursuant to this chapter, the**
35 **supervisor of alcohol and tobacco control shall not be required to give such person ten**
36 **days to remove such gambling device from the premises prior to taking action pursuant**
37 **to this subsection.**

38 **(2) The supervisor of alcohol and tobacco control shall, by no later than August**
39 **15, 2023, provide written or electronic notice to all persons licensed pursuant to this**
40 **chapter informing such persons of the provisions of this subsection and section 311.720.**

41 7. Any aggrieved person may appeal to the administrative hearing commission in
42 accordance with section 311.691.

43 ~~[7-]~~ **8.** In order to encourage the early resolution of disputes between the supervisor of
44 ~~[liquor]~~ **alcohol and tobacco** control and licensees, the supervisor of ~~[liquor]~~ **alcohol and**
45 **tobacco** control, prior to issuing an order of warning, probation, revocation, suspension, or
46 fine, shall provide the licensee with the opportunity to meet or to confer with the supervisor of
47 ~~[liquor]~~ **alcohol and tobacco** control, or his or her designee, concerning the alleged
48 violations. At least ten days prior to such meeting or conference, the supervisor shall provide

49 the licensee with notice of the time and place of such meeting or conference, and the
50 supervisor of ~~[liquor]~~ **alcohol and tobacco** control shall also provide the licensee with a
51 written description of the specific conduct for which discipline is sought, a citation of the law
52 or rules allegedly violated, and, upon request, copies of any violation report or any other
53 documents which are the basis for such action. Any order of warning, probation, revocation,
54 suspension, or fine shall be effective no sooner than thirty days from the date of such order.

311.710. 1. In addition to the penalties and proceedings for suspension or revocation
2 of licenses provided for in this chapter, and without limiting them, proceedings for the
3 suspension or revocation of any license authorizing the sale of intoxicating liquor at retail
4 may be brought in the circuit court of any county in this state, or in the City of St. Louis, in
5 which the licensed premises are located and such proceedings may be brought by the sheriff
6 or any peace officer of that county or by any eight or more persons who are taxpaying citizens
7 of the county or city for any of the following offenses:

8 (1) Selling, giving or otherwise supplying intoxicating liquor to a habitual drunkard
9 or to any person who is under or apparently under the influence of intoxicating liquor;

10 (2) Knowingly permitting any prostitute, degenerate, or dissolute person to frequent
11 the licensed premises;

12 (3) Permitting on the licensed premises any disorderly conduct, breach of the peace,
13 or any lewd, immoral or improper entertainment, conduct or practices;

14 (4) Selling, offering for sale, possessing or knowingly permitting the consumption on
15 the licensed premises of any kind of intoxicating liquors, the sale, possession or consumption
16 of which is not authorized under his or her license;

17 (5) Selling, giving, or otherwise supplying intoxicating liquor to any person under the
18 age of twenty-one years;

19 (6) Selling, giving or otherwise supplying intoxicating liquors between the hours of
20 1:30 a.m. and 6:00 a.m. any day of the week;

21 (7) **Permitting on the licensed premises any form of gambling device punishable**
22 **under chapter 572.**

23 2. Provided, that said taxpaying citizen shall submit in writing, under oath, by
24 registered United States mail to the supervisor of alcohol and tobacco control a joint
25 complaint, stating the name of the licensee, the name under which the licensee's business is
26 conducted and the address of the licensed premises, setting out in general the character and
27 nature of the offense or offenses charged, together with the names and addresses of the
28 witnesses by whom proof thereof is expected to be made; and provided, that after a period of
29 thirty days after the mailing of such complaint to the supervisor of alcohol and tobacco
30 control the person therein complained of shall not have been cited by the supervisor to appear
31 and show cause why his or her license should not be suspended or revoked then they shall file

32 with the circuit clerk of the county or city in which the premises are located a copy of the
33 complaint on file with the supervisor of alcohol and tobacco control.

34 3. If, pursuant to the receipt of such complaint by the supervisor of alcohol and
35 tobacco control, the licensee appears and shows cause why his or her license should not be
36 suspended or revoked at a hearing held for that purpose by the supervisor and either the
37 complainants or the licensee consider themselves aggrieved with the order of the supervisor
38 then, after a request in writing by either the complainants or the licensee, the supervisor shall
39 certify to the circuit clerk of the county or city in which the licensed premises are located a
40 copy of the original complaint filed with him or her, together with a copy of the transcript of
41 the evidence adduced at the hearing held by him or her. Such certification by the supervisor
42 shall not act as a supersedeas of any order made by him or her.

43 4. Upon receipt of such complaint, whether from the complainant directly or from the
44 supervisor of alcohol and tobacco control, the court shall set a date for an early hearing
45 thereon and it shall be the duty of the circuit clerk to cause to be delivered by registered
46 United States mail to the prosecuting attorney of the county or to the circuit attorney of the
47 City of St. Louis and to the licensee copies of the complaint and he or she shall, at the same
48 time, give notice of the time and place of the hearing. Such notice shall be delivered to the
49 prosecuting attorney or to the circuit attorney and to the licensee at least fifteen days prior to
50 the date of the hearing.

51 5. The complaint shall be heard by the court without a jury and if there has been a
52 prior hearing thereon by the supervisor of alcohol and tobacco control then the case shall be
53 heard de novo and both the complainants and the licensee may produce new and additional
54 evidence material to the issues.

55 6. If the court shall find upon the hearing that the offense or offenses charged in the
56 complaint have been established by the evidence, the court shall order the suspension or
57 revocation of the license but, in so doing, shall take into consideration whatever order, if any,
58 may have been made in the premises by the supervisor of alcohol and tobacco control. If the
59 court finds that to revoke the license would be unduly severe, then the court may suspend the
60 license for such period of time as the court deems proper.

61 7. The judgment of the court in no event shall be superseded or stayed during
62 pendency of any appeal therefrom.

63 8. It shall be the duty of the prosecuting attorney or circuit attorney to prosecute
64 diligently and without delay any such complaints coming to him or her by virtue of this
65 section.

66 9. The jurisdiction herein conferred upon the circuit courts to hear and determine
67 complaints for the suspension or revocation of licenses in the manner provided in this section
68 shall not be exclusive and any authority conferred upon the supervisor of alcohol and tobacco

69 control to revoke or suspend licenses shall remain in full force and effect, and the suspension
70 or revocation of a license as provided in this section shall be in addition to and not in lieu of
71 any other revocation or suspension provided by this chapter.

72 10. Costs accruing because of such hearings in the circuit court shall be taxed in the
73 same manner as criminal costs.

311.720. Conviction in any court of any violation of this chapter, or any felony
2 violation of chapter 195 **or chapter 572**, in the course of business, shall have the effect of
3 automatically revoking the license of the person convicted, and such revocation shall continue
4 operative until said case is finally disposed of, and if the defendant is finally acquitted, he
5 may apply for and receive a license hereunder, upon paying the regular license charge
6 therefor, in the same manner as though he had never had a license hereunder; provided,
7 however, that the provisions of this section shall not apply to violations of section 311.070,
8 and violations of said section shall be punished only as therein provided.

313.004. 1. There is hereby created the "Missouri Gaming Commission" consisting
2 of five members appointed by the governor, with the advice and consent of the senate. Each
3 member of the Missouri gaming commission shall be a resident of this state. No member
4 shall have pled guilty to or shall have been convicted of a felony or gambling-related offense.
5 Not more than three members shall be affiliated with the same political party. No member of
6 the commission shall be an elected official. The overall membership of the commission shall
7 reflect experience in law enforcement, civil and criminal investigation and financial
8 principles.

9 2. The initial members of the commission shall be appointed within thirty days of
10 April 29, 1993. Of the members first appointed, one shall be appointed for a one-year term,
11 two shall be appointed for a two-year term and two shall be appointed for a three-year term.
12 Thereafter, all members appointed shall serve for a three-year term. No person shall serve as
13 a member more than six years. The governor shall designate one of the members as the chair.
14 The governor may remove any member of the commission from office for malfeasance or
15 neglect of duty in office. The governor may also replace any member of the commission,
16 with the advice and consent of the senate, when any responsibility concerning the state
17 lottery, pari-mutuel wagering or any other form of gaming is placed under the jurisdiction of
18 the commission.

19 3. The commission shall meet at least quarterly in accordance with its rules. In
20 addition, special meetings may be called by the chair or any two members of the commission
21 upon twenty-four-hour written notice to each member. No action of the commission shall be
22 binding unless taken at a meeting at which at least three of the five members are present and
23 shall vote in favor thereof.

24 4. The commission shall perform all duties and have all the powers and
25 responsibilities conferred and imposed upon it relating to excursion gambling boats and,
26 after June 30, 1994, the lawful operation of the game of bingo under this chapter. Within the
27 commission, there shall be established a division of gambling and after June 30, 1994, the
28 division of bingo. Subject to appropriations, the commission may hire an executive director
29 and any employees as it may deem necessary to carry out the commission's duties. The
30 commission shall have authority to require investigations of any employee or applicant for
31 employment as deemed necessary and use such information or any other information in the
32 determination of employment. The commission shall promulgate rules and regulations
33 establishing a code of ethics for its employees which shall include, but not be limited to,
34 restrictions on which employees shall be prohibited from participating in or wagering on any
35 game or gaming operation subject to the jurisdiction of the commission. The commission
36 shall determine if any other employees of the commission or any licensee of the commission
37 shall participate or wager in any operation under the jurisdiction of the commission.

38 5. On April 29, 1993, all the authority, powers, duties, functions, records, personnel,
39 property, matters pending and all other pertinent vestiges of the state tourism commission
40 relating to the regulation of excursion gambling boats and, after June 30, 1994, of the
41 department of revenue relating to the regulation of the game of bingo shall be transferred to
42 the Missouri gaming commission.

43 6. The commission shall be assigned to the department of public safety as a type III
44 division, but the director of the department of public safety has no supervision, authority or
45 control over the actions or decisions of the commission.

46 7. Members of the Missouri gaming commission shall receive as compensation, the
47 amount of one hundred dollars for every day in which the commission holds a meeting, when
48 such meeting is subject to the recording of minutes as provided in chapter 610, and shall be
49 reimbursed for reasonable expenses incurred in the performance of their duties. The chair
50 shall receive as additional compensation one hundred dollars for each month such person
51 serves on the commission in that capacity.

52 8. No member or employee of the commission shall be appointed or continue to be a
53 member or employee who is licensed by the commission as an excursion gambling boat
54 operator or supplier and no member or employee of the commission shall be appointed or
55 continue to be a member or employee who is related to any person within the second degree
56 of consanguinity or affinity who is licensed by the commission as an excursion gambling boat
57 operator or supplier. The commission shall determine by rule and regulation appropriate
58 restrictions on the relationship of members and employees of the commission to persons
59 holding or applying for occupational licenses from the commission or to employees of any
60 licensee of the commission. No peace officer, as defined by section 590.010, who is

61 designated to have direct regulator authority related to excursion gambling boats shall be
62 employed by any excursion gambling boat or supplier licensed by the commission while
63 employed as a peace officer. No member or employee of the commission or any employee of
64 the state attorney general's office or the state highway patrol who has direct authority over the
65 regulation or investigation of any applicant or licensee of the commission or any peace officer
66 of any city or county which has approved excursion boat gambling shall accept any gift or
67 gratuity from an applicant or licensee while serving as a member or while under such
68 employment. Any person knowingly in violation of the provisions of this subsection is guilty
69 of a class A misdemeanor. Any such member, officer or employee who personally or whose
70 prohibited relative knowingly violates the provisions of this subsection, in addition to the
71 foregoing penalty, shall, upon conviction, immediately and thereupon forfeit his office or
72 employment.

73 9. The commission may enter into agreements with the Federal Bureau of
74 Investigation, the Federal Internal Revenue Service, the state attorney general, **the Missouri**
75 **state highway patrol**, or any state, federal or local agency the commission deems necessary
76 to carry out the duties of the commission, **including investigations relating to and the**
77 **enforcement of the provisions of chapter 572 relating to illegal gambling.** No state
78 agency shall count employees used in any agreements entered into with the commission
79 against any personnel cap authorized by any statute. Any consideration paid by the
80 commission for the purpose of entering into, or to carry out, any agreement shall be
81 considered an administrative expense of the commission. When such agreements are entered
82 into for responsibilities relating to excursion gambling boats, **or for the purpose of**
83 **investigating illegal gambling under chapter 572 utilizing Missouri state highway patrol**
84 **personnel to enforce the regulations of licensed gaming activities governed by chapter**
85 **313**, the commission shall require excursion gambling boat licensees to pay for such services
86 under rules and regulations of the commission. The commission may provide by rules and
87 regulations for the offset of any prize or winnings won by any person making a wager subject
88 to the jurisdiction of the commission, when practical, when such person has an outstanding
89 debt owed the state of Missouri.

90 10. No person who has served as a member or employee of the commission, as a
91 member of the general assembly, as an elected or appointed official of the state or of any city
92 or county of this state in which the licensing of excursion gambling boats has been approved
93 in either the city or county or both or any employee of the state highway patrol designated by
94 the superintendent of the highway patrol or any employee of the state attorney general's office
95 designated by the state attorney general to have direct regulatory authority related to
96 excursion gambling boats shall, while in such office or during such employment and during
97 the first two years after termination of his office or position, obtain direct ownership interest

98 in or be employed by any excursion gambling boat licensed by the commission or which has
99 applied for a license to the commission or enter into a contractual relationship related to direct
100 gaming activity. A "direct ownership interest" shall be defined as any financial interest,
101 equitable interest, beneficial interest, or ownership control held by the public official or
102 employee, or such person's family member related within the second degree of consanguinity
103 or affinity, in any excursion gambling boat operation or any parent or subsidiary company
104 which owns or operates an excursion gambling boat or as a supplier to any excursion
105 gambling boat which has applied for or been granted a license by the commission, provided
106 that a direct ownership interest shall not include any equity interest purchased at fair market
107 value or equity interest received as consideration for goods and services provided at fair
108 market value of less than one percent of the total outstanding shares of stock of any publicly
109 traded corporation or certificates of partnership of any limited partnership which is listed on a
110 regulated stock exchange or automated quotation system. Any person who knowingly
111 violates the provisions of this subsection is guilty of a class E felony. Any such member,
112 officer or employee who personally and knowingly violates the provisions of this subsection,
113 in addition to the foregoing penalty, shall, upon conviction, immediately and thereupon forfeit
114 his office or employment. For purposes of this subsection, "appointed official" shall mean
115 any official of this state or of any city or county authorized under subsection 10 of section
116 313.812 appointed to a position which has discretionary powers over the operations of any
117 licensee or applicant for licensure by the commission. This shall only apply if the appointed
118 official has a direct ownership interest in an excursion gambling boat licensed by the
119 commission or which has applied for a license to the commission to be docked within the
120 jurisdiction of his or her appointment. No elected or appointed official, his or her spouse or
121 dependent child shall, while in such office or within two years after termination of his or her
122 office or position, be employed by an applicant for an excursion gambling boat license or an
123 excursion gambling boat licensed by the commission. Any other person related to an elected
124 or appointed official within the second degree of consanguinity or affinity employed by an
125 applicant for an excursion gambling boat license or excursion gambling boat licensed by the
126 commission shall disclose this relationship to the commission. Such disclosure shall be in
127 writing and shall include who is employing such individual, that person's relationship to the
128 elected or appointed official, and a job description for which the person is being employed.
129 The commission may require additional information as it may determine necessary.

130 11. The commission may enter into contracts with any private entity the commission
131 deems necessary to carry out the duties of the commission, other than criminal law
132 enforcement, provision of legal counsel before the courts and other agencies of this state, and
133 the enforcement of liquor laws. The commission may require provisions for special auditing

134 requirements, investigations and restrictions on the employees of any private entity with
135 which a contract is entered into by the commission.

136 12. Notwithstanding the provisions of chapter 610 to the contrary, all criminal justice
137 records shall be available to any agency or commission responsible for licensing or
138 investigating applicants or licensees applying to any gaming commission of this state.

139 **13. (1) The commission shall establish a telephone contact number, which shall**
140 **be prominently displayed on the commission's website, to receive reports of suspected**
141 **illegal gambling activities. Upon the receipt of such report, the commission shall refer**
142 **such report to the Missouri state highway patrol for investigation pursuant to this**
143 **section. The commission shall notify the owner or manager of the establishment of such**
144 **investigation within thirty days of receiving a report under this subsection.**

145 **(2) The superintendent of the highway patrol shall initiate investigations of**
146 **potential violations punishable under chapter 572, including referrals made by the**
147 **Missouri gaming commission pursuant to this section.**

148 **(3) Upon the request of a prosecuting or circuit attorney, the attorney general**
149 **shall aid a prosecuting or circuit attorney in prosecuting violations referred by the**
150 **superintendent of the highway patrol.**

151 **(4) Local law enforcement agencies shall notify the supervisor of alcohol and**
152 **tobacco control, the state lottery commission, and the Missouri gaming commission of**
153 **all investigations of potential violations punishable under chapter 572.**

154 **(5) The provisions of this subsection shall not preclude or hinder the ability of a**
155 **local law enforcement agency to conduct investigations into potential violations**
156 **punishable under chapter 572 or any other crime or criminal activity in its jurisdiction.**

157 **(6) Any person or establishment licensed under this chapter that is convicted of**
158 **or pleads guilty to a violation punishable under chapter 572, and any affiliated company**
159 **of such person or establishment, shall be permanently prohibited from being licensed to**
160 **participate in any way in a program implementing video lottery gaming terminals if**
161 **such a program is implemented in this state.**

313.255. 1. The director shall issue, suspend, revoke, and renew licenses for lottery
2 game retailers pursuant to rules and regulations adopted by the commission. Such rules shall
3 specify that at least ten percent of all licenses awarded to lottery game retailers in
4 constitutional charter cities not within a county and constitutional charter cities with a
5 population of at least four hundred fifty thousand not located wholly within a county of the
6 first class with a charter form of government shall be awarded to minority-owned and
7 -controlled business enterprises. Licensing rules and regulations shall include requirements
8 relating to the financial responsibility of the licensee, the accessibility of the licensee's place
9 of business or activity to the public, the sufficiency of existing licenses to serve the public

10 interest, the volume of expected sales, the security and efficient operation of the lottery, and
11 other matters necessary to protect the public interest and trust in the lottery and to further the
12 sales of lottery tickets or shares. Lottery game retailers shall be selected without regard to
13 political affiliation.

14 2. The commission may sell lottery tickets at its office and at special events.

15 3. The commission shall require every retailer to post a bond, a bonding fee or a letter
16 of credit in such amount as may be required by the commission, and upon licensure shall
17 prominently display his license, or a copy thereof, as provided in the rules and regulations of
18 the commission.

19 4. All licenses for lottery game retailers shall specify the place such sales shall take
20 place.

21 5. A lottery game retailer license shall not be assignable or transferable.

22 6. A license shall be revoked upon a finding that the licensee:

23 (1) Has knowingly provided false or misleading information to the commission or its
24 employees;

25 (2) Has been convicted of any felony; or

26 (3) Has endangered the security of the lottery.

27 7. A license may be suspended, revoked, or not renewed for any of the following
28 causes:

29 (1) A change of business location;

30 (2) An insufficient sales volume;

31 (3) A delinquency in remitting money owed to the lottery; ~~or~~

32 (4) Any violation of any rule or regulation adopted pursuant to this section by the
33 commission; **or**

34 **(5) Possession of a gambling device as defined under section 572.010.**

572.010. As used in this chapter the following terms mean:

2 (1) "Advance gambling activity", a person advances gambling activity if, acting other
3 than as a player, he or she engages in conduct that materially aids any form of gambling
4 activity. Conduct of this nature includes but is not limited to conduct directed toward the
5 creation or establishment of the particular game, lottery, contest, scheme, device or activity
6 involved, toward the acquisition or maintenance of premises, paraphernalia, equipment or
7 apparatus therefor, toward the solicitation or inducement of persons to participate therein,
8 toward the actual conduct of the playing phases thereof, toward the arrangement or
9 communication of any of its financial or recording phases, or toward any other phase of its
10 operation. A person advances gambling activity if, having substantial proprietary control or
11 other authoritative control over premises being used with his or her knowledge for purposes
12 of gambling activity, he or she permits that activity to occur or continue or makes no effort to

13 prevent its occurrence or continuation. The supplying, servicing and operation of a licensed
14 excursion gambling boat under sections 313.800 to 313.840 does not constitute advancing
15 gambling activity;

16 (2) "Bookmaking", advancing gambling activity by unlawfully accepting bets from
17 members of the public as a business, rather than in a casual or personal fashion, upon the
18 outcomes of future contingent events;

19 (3) "Contest of chance", any contest, game, gaming scheme or gaming device in
20 which the outcome depends in a material degree upon an element of chance, notwithstanding
21 that the skill of the contestants may also be a factor therein;

22 (4) "Gambling", a person engages in gambling when he or she stakes or risks
23 something of value upon the outcome of a contest of chance or a future contingent event not
24 under his or her control or influence, upon an agreement or understanding that he or she will
25 receive something of value in the event of a certain outcome. Gambling does not include
26 bona fide business transactions valid under the law of contracts, including but not limited to
27 contracts for the purchase or sale at a future date of securities or commodities, and
28 agreements to compensate for loss caused by the happening of chance, including but not
29 limited to contracts of indemnity or guaranty and life, health or accident insurance; nor does
30 gambling include playing an amusement device that confers only an immediate right of replay
31 not exchangeable for something of value. Gambling does not include any licensed activity, or
32 persons participating in such games which are covered by sections 313.800 to 313.840;

33 (5) "Gambling device", any device, machine, paraphernalia or equipment that is **not**
34 **approved by the Missouri gaming commission or state lottery commission under the**
35 **provisions of chapter 313 and that:**

36 (a) **Contains a random number generator where prize payout percentages are**
37 **controlled or adjustable; or**

38 (b) **Is used in any scenario where coins or cash prizes are involved or any**
39 **scenario where a prize is converted to cash or monetary credit of any kind related to the**
40 **use of the gambling device; or**

41 (c) **Is used or usable in the playing phases of any gambling activity, whether that**
42 **activity consists of gambling between persons or gambling by a person with a machine,**
43 **regardless of whether the machine, device, system, or network of devices includes a**
44 **preview of the outcome or whether the outcome is known, displayed, or capable of being**
45 **known or displayed to the user.**

46

47 **Any device not described in paragraphs (a) to (c) of this subdivision that a reasonable**
48 **person would believe is usable or can be made readily usable in gambling or any phases**
49 **of gambling activity shall be prima facie evidence of a gambling device and may be**

50 **subject to seizure by any peace officer in this state.** However, lottery tickets, policy slips
51 and other items used in the playing phases of lottery and policy schemes are not gambling
52 devices within this definition;

53 (6) "Gambling record", any article, instrument, record, receipt, ticket, certificate,
54 token, slip or notation used or intended to be used in connection with unlawful gambling
55 activity;

56 (7) "Lottery" or "policy", an unlawful gambling scheme in which for a consideration
57 the participants are given an opportunity to win something of value, the award of which is
58 determined by chance;

59 (8) "Player", a person who engages in any form of gambling solely as a contestant or
60 bettor, without receiving or becoming entitled to receive any profit therefrom other than
61 personal gambling winnings, and without otherwise rendering any material assistance to the
62 establishment, conduct or operation of the particular gambling activity. A person who
63 gambles at a social game of chance on equal terms with the other participants therein does not
64 otherwise render material assistance to the establishment, conduct or operation thereof by
65 performing, without fee or remuneration, acts directed toward the arrangement or facilitation
66 of the game, such as inviting persons to play, permitting the use of premises therefor and
67 supplying cards or other equipment used therein. A person who engages in "bookmaking" as
68 defined in subdivision (2) of this section is not a player;

69 (9) "Professional player", a player who engages in gambling for a livelihood or who
70 has derived at least twenty percent of his or her income in any one year within the past five
71 years from acting solely as a player;

72 (10) "Profit from gambling activity", a person profits from gambling activity if, other
73 than as a player, he or she accepts or receives money or other property pursuant to an
74 agreement or understanding with any person whereby he participates or is to participate in the
75 proceeds of gambling activity;

76 (11) "Slot machine", a gambling device that as a result of the insertion of a coin or
77 other object operates, either completely automatically or with the aid of some physical act by
78 the player, in such a manner that, depending upon elements of chance, **from the perspective**
79 **of a player or a reasonable person**, it may eject something of value, **regardless of whether**
80 **the machine, device, system, or network of devices includes a preview of the outcome or**
81 **whether the outcome is known, displayed, or capable of being known or displayed to the**
82 **user.** A device so constructed or readily adaptable or convertible to such use is no less a slot
83 machine because it is not in working order or because some mechanical act of manipulation
84 or repair is required to accomplish its adaptation, conversion or workability. Nor is it any less
85 a slot machine because apart from its use or adaptability as such it may also sell or deliver
86 something of value on a basis other than chance;

87 (12) "Something of value", any money or property, any token, object or article
88 exchangeable for money or property, or any form of credit or promise directly or indirectly
89 contemplating transfer of money or property or of any interest therein or involving extension
90 of a service, entertainment or a privilege of playing at a game or scheme without charge;

91 (13) "Unlawful", not specifically authorized by law.

572.015. 1. Nothing in this chapter prohibits constitutionally authorized activities
2 under Article III, Sections 39(a) to 39(f) of the Missouri Constitution.

3 **2. For the purposes of this section and Article III, Section 39(f) of the Missouri**
4 **Constitution, the following terms shall mean:**

5 (1) "Net proceeds", the gross amount paid for tickets for a raffle or sweepstakes
6 minus the payment of prizes and administrative expenses. Administrative expenses
7 relating to the purchase or rental of supplies and equipment utilized in conducting the
8 raffle or sweepstakes shall not be in excess of the reasonable market purchase price or
9 reasonable market rental rate for such supplies and equipment, and in no case shall
10 such administrative expenses be based on a percentage of proceeds;

11 (2) "Raffle" or "sweepstakes", the awarding, by chance, of one or more prizes to
12 one or more persons among a group of persons who have paid or promised something of
13 value in exchange for a ticket that represents one or more equal chances to win a prize,
14 and for which all tickets have been sold prior to the selection of a winner or winners;

15 (3) "Sponsor", the offering of a raffle or sweepstakes by an organization
16 recognized as charitable or religious pursuant to federal law in which the entire net
17 proceeds of such raffle or sweepstakes shall be exclusively devoted to the lawful
18 purposes of the organization permitted to conduct the raffle or sweepstakes.

572.100. The general assembly by enacting this chapter intends to preempt any other
2 regulation of the area covered by this chapter. No governmental subdivision or agency may
3 enact or enforce a law that regulates or makes any conduct in the area covered by this chapter
4 an offense, or the subject of a criminal or civil penalty or sanction of any kind, **except for the**
5 **revocation, suspension, or denial by the Missouri lottery commission, the Missouri**
6 **gaming commission, or the division of alcohol and tobacco control of a license issued**
7 **under chapter 311 or 313.** The term "gambling", as used in this chapter, does not include
8 licensed activities under sections 313.800 to 313.840.

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