

SECOND REGULAR SESSION

# HOUSE BILL NO. 2585

100TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE BONDON.

5549H.011

DANA RADEMAN MILLER, Chief Clerk

## AN ACT

To repeal sections 43.380, 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 ten new sections relating to illegal gambling, with an emergency clause.

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

Section A. Sections 43.380, 311.660, 311.680, 311.710, 311.720, 313.004, 313.255, 2 572.010, 572.015, and 572.100, RSMo, are repealed and ten new sections enacted in lieu thereof, 3 to be known as sections 43.380, 311.660, 311.680, 311.710, 311.720, 313.004, 313.255, 4 572.010, 572.015, and 572.100, to read as follows:

43.380. 1. The director of the division of drug and crime control shall initiate the 2 investigation of any suspected crime or criminal activity within this state at the request of the 3 attorney general, when the attorney general has authority to initiate legal action with respect to 4 the matter to be investigated, or at the request of any chief of police, prosecuting attorney, sheriff 5 or the superintendent of the Missouri state highway patrol.

2. If the attorney general or the superintendent of the highway patrol request the director 6 of the division of drug and crime control to undertake any investigation under this section other 7 than a drug-related investigation, the director shall notify as soon as practical the chief of police, 8 prosecuting attorney, or sheriff having jurisdiction in the area in which the pending investigation 9 will be conducted of such pending investigation unless such official is a subject in the 10 investigation or is implicated or allegedly involved in the investigation. 11

12 **3. (1) The superintendent of the highway patrol shall request the director of the**  
13 **division of drug and crime control to undertake investigations of potential violations**

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.

14 **punishable under chapter 572, including referrals made by the Missouri gaming**  
15 **commission under subsection 13 of section 313.004.**

16 **(2) (a) If the division of drug and crime control finds sufficient evidence of a**  
17 **violation punishable under chapter 572, the superintendent of the highway patrol shall**  
18 **refer such violations to the prosecuting or circuit attorney and shall notify the supervisor**  
19 **of alcohol and tobacco control.**

20 **(b) Upon the request of a prosecuting or circuit attorney, the attorney general shall**  
21 **aid a prosecuting or circuit attorney in prosecuting violations referred by the**  
22 **superintendent of the highway patrol.**

23 **(3) The provisions of this subsection shall not preclude or hinder the ability of a**  
24 **local law enforcement agency from conducting investigations into potential violations**  
25 **punishable under chapter 572 or any other crime or criminal activity in its jurisdiction.**

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

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

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

11 (3) Prescribe all forms, applications and licenses and such other forms as are necessary  
12 to carry out the provisions of this chapter, except that when a licensee substantially complies  
13 with all requirements for the renewal of a license by the date on which the application for  
14 renewal is due, such licensee shall be permitted at least an additional ten days from the date  
15 notice is sent that the application is deficient, in which to complete the application;

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

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

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

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

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

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

28 (10) **To refer to the Missouri gaming commission, Missouri state highway patrol,**  
29 **and local law enforcement agencies any suspected illegal gambling activity punishable**  
30 **under chapter 572 being conducted on the premises of a location licensed under this**  
31 **chapter, which shall be investigated under section 43.380; and**

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

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

9 2. Any wholesaler licensed pursuant to this chapter in lieu of, or in addition to, the  
10 warning, probation, suspension or revocation authorized in subsection 1 of this section, may be  
11 assessed a civil penalty by the supervisor of ~~[liquor]~~ **alcohol and tobacco** control of not less than  
12 one hundred dollars or more than twenty-five hundred dollars for each violation.

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

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

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

25 6. **(1) Upon notification by the Missouri gaming commission or a law enforcement**  
26 **agency of possession of a gambling device, as defined under section 572.010, by a person**

27 **licensed under this chapter, the supervisor of alcohol and tobacco control shall suspend or**  
28 **revoke the license of such person on such terms and conditions as the supervisor of alcohol**  
29 **and tobacco control deems appropriate, provided such person shall be given ten days to**  
30 **remove such gambling device from the premises prior to the supervisor of alcohol and**  
31 **tobacco control taking action under this subsection. Upon a second or subsequent**  
32 **notification under this subsection of the possession of a gambling device by a person**  
33 **licensed under this chapter, the supervisor of alcohol and tobacco control shall not be**  
34 **required to give such person ten days to remove such gambling device from the premises**  
35 **prior to taking action under this subsection.**

36 **(2) The supervisor of alcohol and tobacco control shall, by no later than August 15,**  
37 **2020, provide written or electronic notice to all persons licensed under this chapter**  
38 **informing such persons of the provisions of this subsection and section 311.720.**

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

41 ~~[7-]~~ **8.** In order to encourage the early resolution of disputes between the supervisor of  
42 ~~[liquor]~~ **alcohol and tobacco** control and licensees, the supervisor of ~~[liquor]~~ **alcohol and**  
43 **tobacco** control, prior to issuing an order of warning, probation, revocation, suspension, or fine,  
44 shall provide the licensee with the opportunity to meet or to confer with the supervisor of ~~[liquor]~~  
45 **alcohol and tobacco** control, or ~~[his or her]~~ **the supervisor's** designee, concerning the alleged  
46 violations. At least ten days prior to such meeting or conference, the supervisor shall provide  
47 the licensee with notice of the time and place of such meeting or conference, and the supervisor  
48 of ~~[liquor]~~ **alcohol and tobacco** control shall also provide the licensee with a written description  
49 of the specific conduct for which discipline is sought, a citation of the law or rules allegedly  
50 violated~~;~~ and, upon request, copies of any violation report or any other documents ~~[which]~~ **that**  
51 are the basis for such action. Any order of warning, probation, revocation, suspension, or fine  
52 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 of  
2 licenses provided for in this chapter, and without limiting them, proceedings for the suspension  
3 or revocation of any license authorizing the sale of intoxicating liquor at retail may be brought  
4 in the circuit court of any county in this state, or in the city of St. Louis, in which the licensed  
5 premises are located and such proceedings may be brought by the sheriff or any peace officer of  
6 that county or by any eight or more persons who are taxpaying citizens of the county or city for  
7 any of the following offenses:

8 (1) Selling, giving or otherwise supplying intoxicating liquor to a habitual drunkard or  
9 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 the  
11 licensed premises;

12 (3) Permitting on the licensed premises any disorderly conduct, breach of the peace, or  
13 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 of  
16 which is not authorized under ~~[his]~~ **the licensee's** 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 12:00 midnight Saturday night and 12:00 midnight Sunday night;

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

23 2. ~~[Provided, that said]~~ **Such** taxpaying citizen shall submit in writing, under oath, by  
24 registered United States mail to the supervisor of ~~[liquor]~~ **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 witnesses  
28 by whom proof thereof is expected to be made; and provided, that after a period of thirty days  
29 after the mailing of such complaint to the supervisor of ~~[liquor]~~ **alcohol and tobacco** control the  
30 person therein complained of shall not have been cited by the supervisor to appear and show  
31 cause why ~~[his]~~ **the licensee's** 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 ~~[liquor]~~ **alcohol and tobacco** control.

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

43 4. Upon receipt of such complaint, whether from the complainant directly or from the  
44 supervisor of ~~[liquor]~~ **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 United

46 States mail to the prosecuting attorney of the county or to the circuit attorney of the city of St.  
47 Louis and to the licensee copies of the complaint and ~~he~~ **the circuit clerk** 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 the  
50 date of the hearing.

51 5. The complaint shall be heard by the court without a jury and if there has been a prior  
52 hearing thereon by the supervisor of ~~liquor~~ **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 ~~liquor~~ **alcohol and tobacco** control.  
59 If the court finds that to revoke the license would be unduly severe, then the court may suspend  
60 the 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 pendency  
62 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~~ **such attorney** 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 ~~liquor~~ **alcohol and**  
69 **tobacco** control to revoke or suspend licenses shall remain in full force and effect, and the  
70 suspension or revocation of a license as provided in this section shall be in addition to and not  
71 in lieu of 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 chapter 572**, or any  
2 felony violation of chapter 195, in the course of business, shall have the effect of automatically  
3 revoking the license of the person convicted, and such revocation shall continue operative until  
4 ~~said~~ **such** case is finally disposed of, and if the defendant is finally acquitted, ~~he~~ **the**  
5 **defendant** may apply for and receive a license hereunder, upon paying the regular license charge  
6 therefor, in the same manner as though ~~he~~ **the defendant** had never had a license hereunder;  
7 provided, however, that the provisions of this section shall not apply to violations of section  
8 311.070, and violations of ~~said~~ section **311.070** shall be punished only as therein provided.

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

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

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

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

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

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

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

50           8. No member or employee of the commission shall be appointed or continue to be a  
51 member or employee who is licensed by the commission as an excursion gambling boat operator  
52 or supplier and no member or employee of the commission shall be appointed or continue to be  
53 a member or employee who is related to any person within the second degree of consanguinity  
54 or affinity who is licensed by the commission as an excursion gambling boat operator or supplier.  
55 The commission shall determine by rule and regulation appropriate restrictions on the  
56 relationship of members and employees of the commission to persons holding or applying for  
57 occupational licenses from the commission or to employees of any licensee of the commission.  
58 No peace officer, as defined by section 590.010, who is designated to have direct regulator  
59 authority related to excursion gambling boats shall be employed by any excursion gambling boat  
60 or supplier licensed by the commission while employed as a peace officer. No member or  
61 employee of the commission or any employee of the state attorney general's office or the state  
62 highway patrol who has direct authority over the regulation or investigation of any applicant or  
63 licensee of the commission or any peace officer of any city or county which has approved  
64 excursion boat gambling shall accept any gift or gratuity from an applicant or licensee while  
65 serving as a member or while under such employment. Any person knowingly in violation of  
66 the provisions of this subsection is guilty of a class A misdemeanor. Any such member, officer  
67 or employee who personally or whose prohibited relative knowingly violates the provisions of  
68 this subsection, in addition to the foregoing penalty, shall, upon conviction, immediately and  
69 thereupon forfeit ~~his~~ **the member's, officer's, or employee's** office or employment.

70           9. The commission may enter into agreements with the Federal Bureau of Investigation,  
71 the Federal Internal Revenue Service, the state attorney general or any state, federal or local



72 agency the commission deems necessary to carry out the duties of the commission, **including,**  
73 **but not limited to, investigations relating to and the enforcement of the provisions of**  
74 **chapter 572 relating to illegal gambling.** No state agency shall count employees used in any  
75 agreements entered into with the commission against any personnel cap authorized by any  
76 statute. Any consideration paid by the commission for the purpose of entering into, or to carry  
77 out, any agreement shall be considered an administrative expense of the commission. When  
78 such agreements are entered into for responsibilities relating to excursion gambling boats, the  
79 commission shall require excursion gambling boat licensees to pay for such services under rules  
80 and regulations of the commission. The commission may provide by rules and regulations for  
81 the offset of any prize or winnings won by any person making a wager subject to the jurisdiction  
82 of the commission, when practical, when such person has an outstanding debt owed the state of  
83 Missouri.

84         10. No person who has served as a member or employee of the commission, as a member  
85 of the general assembly, as an elected or appointed official of the state or of any city or county  
86 of this state in which the licensing of excursion gambling boats has been approved in either the  
87 city or county or both or any employee of the state highway patrol designated by the  
88 superintendent of the highway patrol or any employee of the state attorney general's office  
89 designated by the state attorney general to have direct regulatory authority related to excursion  
90 gambling boats shall, while in such office or during such employment and during the first two  
91 years after termination of **[his] such person's** office or position, obtain direct ownership interest  
92 in or be employed by any excursion gambling boat licensed by the commission or **[which] that**  
93 has applied for a license to the commission or enter into a contractual relationship related to  
94 direct gaming activity. A "direct ownership interest" shall be defined as any financial interest,  
95 equitable interest, beneficial interest, or ownership control held by the public official or  
96 employee, or such person's family member related within the second degree of consanguinity or  
97 affinity, in any excursion gambling boat operation or any parent or subsidiary company **[which]**  
98 **that** owns or operates an excursion gambling boat or as a supplier to any excursion gambling  
99 boat **[which] that** has applied for or been granted a license by the commission, provided that a  
100 direct ownership interest shall not include any equity interest purchased at fair market value or  
101 equity interest received as consideration for goods and services provided at fair market value of  
102 less than one percent of the total outstanding shares of stock of any publicly traded corporation  
103 or certificates of partnership of any limited partnership **[which] that** is listed on a regulated stock  
104 exchange or automated quotation system. Any person who knowingly violates the provisions  
105 of this subsection is guilty of a class E felony. Any such member, officer or employee who  
106 personally and knowingly violates the provisions of this subsection, in addition to the foregoing  
107 penalty, shall, upon conviction, immediately and thereupon forfeit **[his] the member's, officer's,**

108 **or employee's** office or employment. For purposes of this subsection, "appointed official" shall  
109 mean any official of this state or of any city or county authorized under subsection 10 of section  
110 313.812 appointed to a position [~~which~~] **that** has discretionary powers over the operations of any  
111 licensee or applicant for licensure by the commission. This shall only apply if the appointed  
112 official has a direct ownership interest in an excursion gambling boat licensed by the commission  
113 or which has applied for a license to the commission to be docked within the jurisdiction of [~~his~~  
114 ~~or her~~] **the official's** appointment. No elected or appointed official[, ~~his or her~~] **or** spouse or  
115 dependent child **of such official** shall, while in such office or within two years after termination  
116 of [~~his or her~~] **the official's** office or position, be employed by an applicant for an excursion  
117 gambling boat license or an excursion gambling boat licensed by the commission. Any other  
118 person related to an elected or appointed official within the second degree of consanguinity or  
119 affinity employed by an applicant for an excursion gambling boat license or excursion gambling  
120 boat licensed by the commission shall disclose this relationship to the commission. Such  
121 disclosure shall be in writing and shall include who is employing such individual, that person's  
122 relationship to the elected or appointed official, and a job description for which the person is  
123 being employed. The commission may require additional information as it may determine  
124 necessary.

125 11. The commission may enter into contracts with any private entity the commission  
126 deems necessary to carry out the duties of the commission, other than criminal law enforcement,  
127 provision of legal counsel before the courts and other agencies of this state, and the enforcement  
128 of liquor laws. The commission may require provisions for special auditing requirements,  
129 investigations and restrictions on the employees of any private entity with which a contract is  
130 entered into by the commission.

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

134 **13. (1) The commission shall establish a telephone contact number, which shall be**  
135 **prominently displayed on the commission's website, to receive reports of suspected illegal**  
136 **gambling activities. Upon the receipt of a report, the commission shall refer the report to**  
137 **the Missouri state highway patrol for investigation under section 43.380. The commission**  
138 **shall notify the subject of such investigation within thirty days of receiving a report under**  
139 **this subsection.**

140 **(2) Any person or establishment licensed under this chapter that is convicted of or**  
141 **pleads guilty to a violation punishable under chapter 572, and any affiliated company of**  
142 **such person or establishment, shall be permanently prohibited from being licensed to**

143 **participate in any way in a program implementing video lottery gaming terminals should**  
 144 **such a program be 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 constitutional  
 4 charter cities not within a county and constitutional charter cities with a population of at least  
 5 four hundred fifty thousand not located wholly within a county [~~of the first class~~] with a charter  
 6 form of government shall be awarded to minority-owned and -controlled business enterprises.  
 7 Licensing rules and regulations shall include requirements relating to the financial responsibility  
 8 of the licensee, the accessibility of the licensee's place of business or activity to the public, the  
 9 sufficiency of existing licenses to serve the public interest, the volume of expected sales, the  
 10 security and efficient operation of the lottery, and other matters necessary to protect the public  
 11 interest and trust in the lottery and to further the sales of lottery tickets or shares. Lottery game  
 12 retailers shall be selected without regard to political affiliation.

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

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

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

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

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

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

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

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

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

27 (1) A change of business location;

28 (2) An insufficient sales volume;

29 (3) A delinquency in remitting money owed to the lottery; [~~or~~]

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

32 **(5) Possession of a gambling device as defined in 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]~~ **the person** engages in conduct that materially aids any form of  
4 gambling activity. Conduct of this nature includes but is not limited to conduct directed toward  
5 the 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, toward  
8 the actual conduct of the playing phases thereof, toward the arrangement or communication of  
9 any of its financial or recording phases, or toward any other phase of its operation. A person  
10 advances gambling activity if, having substantial proprietary control or other authoritative  
11 control over premises being used with ~~[his or her]~~ **the person's** knowledge for purposes of  
12 gambling activity, ~~[he or she]~~ **the person** permits that activity to occur or continue or makes no  
13 effort to prevent its occurrence or continuation. The supplying, servicing and operation of a  
14 licensed excursion gambling boat under sections 313.800 to 313.840 does not constitute  
15 advancing 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 which  
20 the outcome depends in a material degree upon an element of chance, notwithstanding that the  
21 skill of the contestants may also be a factor therein;

22 (4) "Gambling", a person engages in gambling when ~~[he or she]~~ **the person** stakes or  
23 risks something of value upon the outcome of a contest of chance or a future contingent event  
24 not under ~~[his or her]~~ **the person's** control or influence, upon an agreement or understanding that  
25 ~~[he or she]~~ **the person** will receive something of value in the event of a certain outcome.  
26 Gambling does not include bona fide business transactions valid under the law of contracts,  
27 including but not limited to contracts for the purchase or sale at a future date of securities or  
28 commodities, and agreements to compensate for loss caused by the happening of chance,  
29 including but not limited to contracts of indemnity or guaranty and life, health or accident  
30 insurance; nor does gambling include playing an amusement device that confers only an  
31 immediate right of replay not exchangeable for something of value. Gambling does not include  
32 any licensed activity, or persons participating in such games ~~[which]~~ **that** are covered by sections  
33 313.800 to 313.840;

34 (5) "Gambling device"~~];~~ :

35 (a) Any device, machine, paraphernalia or equipment that **is not approved by the**  
36 **Missouri gaming commission or state lottery commission under the provisions of chapter**  
37 **313 and that:**

38           **a. Contains a random number generator where prize payout percentages are**  
39 **controlled or adjustable;**

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

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

48           ~~[However,]~~ **(b)** Lottery tickets, policy slips and other items used in the playing phases  
49 of lottery and policy schemes are not gambling devices ~~[within]~~ **as defined in this [definition]**  
50 **subdivision;**

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

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

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

66           (9) "Professional player", a player who engages in gambling for a livelihood or who has  
67 derived at least twenty percent of ~~[his or her]~~ **the player's** income in any one year within the past  
68 five years from acting solely as a player;

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

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

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

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

572.015. **1.** Nothing in this chapter prohibits constitutionally authorized activities under  
2 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 Constitution**  
4 **of Missouri, the following terms 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 used in conducting the raffle**  
8 **or sweepstakes shall not be in excess of the reasonable market purchase price or reasonable**  
9 **market rental rate for such supplies and equipment, and in no case shall such**  
10 **administrative expenses be based on a percentage of proceeds;**

11 (2) **"Raffle" or "sweepstakes", the award by chance of one or more prizes to one**  
12 **or more persons among a group of persons who have paid or promised something of value**  
13 **in exchange for a ticket that represents one or more equal chances to win a prize, and for**  
14 **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 recognized**  
16 **as charitable or religious under federal law in which the entire net proceeds of such raffle**  
17 **or sweepstakes shall be exclusively devoted to the lawful purposes of the organization**  
18 **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 **shall** enact or enforce a law that regulates or makes any conduct in the area covered by this

4 chapter an offense, or the subject of a criminal or civil penalty or sanction of any kind, **except**  
5 **for the 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 under**  
7 **chapter 311 or 313.** The term "gambling", as used in this chapter, does not include licensed  
8 activities under sections 313.800 to 313.840.

Section B. Because of the need to eliminate illegal gambling activity in this state, section  
2 A of this act is deemed necessary for the immediate preservation of the public health, welfare,  
3 peace, and safety, and is hereby declared to be an emergency act within the meaning of the  
4 constitution, and section A of this act shall be in full force and effect upon its passage and  
5 approval.

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