

FIRST REGULAR SESSION

# HOUSE BILL NO. 1251

103RD GENERAL ASSEMBLY

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INTRODUCED BY REPRESENTATIVE CUPPS.

2781H.011

JOSEPH ENGLER, Chief Clerk

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## 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 and an emergency clause.

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*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Section A. Sections 311.660, 311.680, 311.710, 311.720, 313.004, 313.255, 572.010, 2 572.015, and 572.100, RSMo, are repealed and nine new sections enacted in lieu thereof, to 3 be known as sections 311.660, 311.680, 311.710, 311.720, 313.004, 313.255, 572.010, 4 572.015, and 572.100,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 control shall have the authority to suspend or 2 revoke for cause all such licenses; and to make the following regulations, without limiting the 3 generality of provisions empowering the supervisor of liquor control as in this chapter set 4 forth as to the following matters, acts and things:

5 (1) Fix and determine the nature, form and capacity of all packages used for 6 containing 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, 10 varieties or brands of intoxicating liquor;

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

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 from the date notice is sent that the application is deficient, in which to complete the  
16 application;

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

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

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

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

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

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

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

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

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

311.680. 1. Whenever it shall be shown, or whenever the supervisor of liquor control  
2 has knowledge, that a person licensed hereunder has not at all times kept an orderly place or  
3 house, or has violated any of the provisions of this chapter, the supervisor of liquor control  
4 may warn, place on probation on such terms and conditions as the supervisor of liquor control  
5 deems appropriate for a period not to exceed twelve months, suspend or revoke the license of  
6 that person, but the person shall have ten days' notice of the application to warn, place on  
7 probation, suspend or revoke the person's license prior to the order of warning, probation,  
8 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  
11 be assessed a civil penalty by the supervisor of liquor control of not less than one hundred  
12 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  
14 revocation authorized in subsection 1 of this section may be assessed a civil penalty or fine by  
15 the supervisor of liquor 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  
18 this chapter in lieu of the suspension or revocation authorized by subsection 1 of this section  
19 may be assessed a civil penalty or fine by the supervisor of liquor control of not less than fifty  
20 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 control of not less than fifty  
24 dollars nor more than five thousand dollars for each violation.

25           6. **(1) Upon notification by the Missouri gaming commission or a law**  
26 **enforcement agency of possession of a gambling device, as defined under section**  
27 **572.010, by a person licensed pursuant to this chapter, the supervisor of liquor control**  
28 **shall suspend or revoke the license of such person on such terms and conditions as the**  
29 **supervisor of liquor control deems appropriate, provided such person shall be given ten**  
30 **days to remove such gambling device from the premises prior to the supervisor of liquor**  
31 **control taking action pursuant to this subsection. Upon a second or subsequent**  
32 **notification pursuant to this subsection of the possession of a gambling device by a**  
33 **person licensed pursuant to this chapter, the supervisor of liquor 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 pursuant to this subsection.**

36           **(2) The supervisor of liquor control shall, by no later than August 15, 2025,**  
37 **provide written or electronic notice to all persons licensed pursuant to 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 control and licensees, the supervisor of liquor control, prior to issuing an order of  
43 warning, probation, revocation, suspension, or fine, shall provide the licensee with the  
44 opportunity to meet or to confer with the supervisor of liquor control, or his or her designee,  
45 concerning the alleged violations. At least ten days prior to such meeting or conference, the  
46 supervisor shall provide the licensee with notice of the time and place of such meeting or  
47 conference, and the supervisor of liquor control shall also provide the licensee with a written  
48 description of the specific conduct for which discipline is sought, a citation of the law or rules  
49 allegedly violated, and, upon request, copies of any violation report or any other documents

50 which are the basis for such action. Any order of warning, probation, revocation, suspension,  
51 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 pursuant to chapter 572 utilizing existing Missouri state**  
84 **highway patrol personnel assigned to enforce the regulations of licensed gaming**  
85 **activities governed by chapter 313**, the commission shall require excursion gambling boat  
86 licensees to pay for such services under rules and regulations of the commission. The  
87 commission may provide by rules and regulations for the offset of any prize or winnings won  
88 by any person making a wager subject to the jurisdiction of the commission, when practical,  
89 when such person has an outstanding 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 reports to the Missouri state highway patrol for investigation pursuant to this**  
143 **section. The commission shall notify the subject of such investigation within thirty days**  
144 **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 liquor control,**  
152 **the state lottery commission, and the Missouri gaming commission of all investigations**  
153 **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**  
161 **should 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  
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;**

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 or device or 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 or device or system or network of devices includes a preview of the outcome**  
81 **or whether the outcome is known, displayed, or capable of being known or displayed to**  
82 **the user**. A device so constructed or readily adaptable or convertible to such use is no less a  
83 slot machine because it is not in working order or because some mechanical act of  
84 manipulation or repair is required to accomplish its adaptation, conversion or workability.  
85 Nor is it any less a slot machine because apart from its use or adaptability as such it may also  
86 sell or deliver 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 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  
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.

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

✓