

SENATE SUBSTITUTE
FOR
SENATE COMMITTEE SUBSTITUTE
FOR
SENATE BILL NO. 530

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 existing penalty provisions and an emergency clause.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF MISSOURI,
AS FOLLOWS:

1 Section A. Sections 43.380, 311.660, 311.680, 311.710,
2 311.720, 313.004, 313.255, 572.010, 572.015, and 572.100, RSMo,
3 are repealed and ten new sections enacted in lieu thereof, to be
4 known as sections 43.380, 311.660, 311.680, 311.710, 311.720,
5 313.004, 313.255, 572.010, 572.015, and 572.100, to read as
6 follows:

7 43.380. 1. The director of the division of drug and crime
8 control shall initiate the investigation of any suspected crime
9 or criminal activity within this state at the request of the
10 attorney general, when the attorney general has authority to
11 initiate legal action with respect to the matter to be
12 investigated, or at the request of any chief of police,
13 prosecuting attorney, sheriff or the superintendent of the
14 Missouri state highway patrol.

15 2. If the attorney general or the superintendent of the

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

10 3. (1) The superintendent of the highway patrol shall
11 request the director of the division of drug and crime control to
12 undertake investigations of potential violations punishable under
13 chapter 572, including referrals made by the Missouri gaming
14 commission pursuant to subsection 13 of section 313.004.

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

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

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

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

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

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

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

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

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

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

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

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

11 (9) Prescribe all forms of labels to be affixed to all
12 packages containing intoxicating liquor of any kind; [and]

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

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

21 311.680. 1. Whenever it shall be shown, or whenever the
22 supervisor of liquor control has knowledge, that a person
23 licensed hereunder has not at all times kept an orderly place or
24 house, or has violated any of the provisions of this chapter, the
25 supervisor of liquor control may warn, place on probation on such
26 terms and conditions as the supervisor of liquor control deems
27 appropriate for a period not to exceed twelve months, suspend or
28 revoke the license of that person, but the person shall have ten

1 days' notice of the application to warn, place on probation,
2 suspend or revoke the person's license prior to the order of
3 warning, probation, revocation or suspension issuing.

4 2. Any wholesaler licensed pursuant to this chapter in lieu
5 of, or in addition to, the warning, probation, suspension or
6 revocation authorized in subsection 1 of this section, may be
7 assessed a civil penalty by the supervisor of liquor control of
8 not less than one hundred dollars or more than twenty-five
9 hundred dollars for each violation.

10 3. Any solicitor licensed pursuant to this chapter in lieu
11 of the suspension or revocation authorized in subsection 1 of
12 this section may be assessed a civil penalty or fine by the
13 supervisor of liquor control of not less than one hundred dollars
14 nor more than five thousand dollars for each violation.

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

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

27 6. (1) Upon notification by the Missouri gaming commission
28 or a law enforcement agency of possession of a gambling device,

1 as defined pursuant to section 572.010, by a person licensed
2 pursuant to this chapter, the supervisor of liquor control shall
3 suspend or revoke the license of such person on such terms and
4 conditions as the supervisor of liquor control deems appropriate,
5 provided such person shall be given ten days to remove such
6 gambling device from the premises prior to the supervisor of
7 liquor control taking action pursuant to this subsection. Upon a
8 second or subsequent notification pursuant to this subsection of
9 the possession of a gambling device by a person licensed pursuant
10 to this chapter, the supervisor of liquor control shall not be
11 required to give such person ten days to remove such gambling
12 device from the premises prior to taking action pursuant to this
13 subsection.

14 (2) The supervisor of liquor control shall, by no later
15 than August 15, 2020, provide written or electronic notice to all
16 persons licensed pursuant to this chapter informing such persons
17 of the provisions of this subsection and section 311.720.

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

20 [7.] 8. In order to encourage the early resolution of
21 disputes between the supervisor of liquor control and licensees,
22 the supervisor of liquor control, prior to issuing an order of
23 warning, probation, revocation, suspension, or fine, shall
24 provide the licensee with the opportunity to meet or to confer
25 with the supervisor of liquor control, or his or her designee,
26 concerning the alleged violations. At least ten days prior to
27 such meeting or conference, the supervisor shall provide the
28 licensee with notice of the time and place of such meeting or

1 conference, and the supervisor of liquor control shall also
2 provide the licensee with a written description of the specific
3 conduct for which discipline is sought, a citation of the law or
4 rules allegedly violated, and, upon request, copies of any
5 violation report or any other documents which are the basis for
6 such action. Any order of warning, probation, revocation,
7 suspension, or fine shall be effective no sooner than thirty days
8 from the date of such order.

9 311.710. 1. In addition to the penalties and proceedings
10 for suspension or revocation of licenses provided for in this
11 chapter, and without limiting them, proceedings for the
12 suspension or revocation of any license authorizing the sale of
13 intoxicating liquor at retail may be brought in the circuit court
14 of any county in this state, or in the city of St. Louis, in
15 which the licensed premises are located and such proceedings may
16 be brought by the sheriff or any peace officer of that county or
17 by any eight or more persons who are taxpaying citizens of the
18 county or city for any of the following offenses:

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

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

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

27 (4) Selling, offering for sale, possessing or knowingly
28 permitting the consumption on the licensed premises of any kind

1 of intoxicating liquors, the sale, possession or consumption of
2 which is not authorized under his license;

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

5 (6) Selling, giving or otherwise supplying intoxicating
6 liquors between the hours of 12:00 midnight Saturday night and
7 12:00 midnight Sunday night;

8 (7) Permitting on the licensed premises any form of
9 gambling device punishable under chapter 572.

10 2. Provided, that said taxpaying citizen shall submit in
11 writing, under oath, by registered United States mail to the
12 supervisor of liquor control a joint complaint, stating the name
13 of the licensee, the name under which the licensee's business is
14 conducted and the address of the licensed premises, setting out
15 in general the character and nature of the offense or offenses
16 charged, together with the names and addresses of the witnesses
17 by whom proof thereof is expected to be made; and provided, that
18 after a period of thirty days after the mailing of such complaint
19 to the supervisor of liquor control the person therein complained
20 of shall not have been cited by the supervisor to appear and show
21 cause why his license should not be suspended or revoked then
22 they shall file with the circuit clerk of the county or city in
23 which the premises are located a copy of the complaint on file
24 with the supervisor of liquor control.

25 3. If, pursuant to the receipt of such complaint by the
26 supervisor of liquor control, the licensee appears and shows
27 cause why his license should not be suspended or revoked at a
28 hearing held for that purpose by the supervisor and either the

1 complainants or the licensee consider themselves aggrieved with
2 the order of the supervisor then, after a request in writing by
3 either the complainants or the licensee, the supervisor shall
4 certify to the circuit clerk of the county or city in which the
5 licensed premises are located a copy of the original complaint
6 filed with him, together with a copy of the transcript of the
7 evidence adduced at the hearing held by him. Such certification
8 by the supervisor shall not act as a supersedeas of any order
9 made by him.

10 4. Upon receipt of such complaint, whether from the
11 complainant directly or from the supervisor of liquor control,
12 the court shall set a date for an early hearing thereon and it
13 shall be the duty of the circuit clerk to cause to be delivered
14 by registered United States mail to the prosecuting attorney of
15 the county or to the circuit attorney of the city of St. Louis
16 and to the licensee copies of the complaint and he shall, at the
17 same time, give notice of the time and place of the hearing.
18 Such notice shall be delivered to the prosecuting attorney or to
19 the circuit attorney and to the licensee at least fifteen days
20 prior to the date of the hearing.

21 5. The complaint shall be heard by the court without a jury
22 and if there has been a prior hearing thereon by the supervisor
23 of liquor control then the case shall be heard de novo and both
24 the complainants and the licensee may produce new and additional
25 evidence material to the issues.

26 6. If the court shall find upon the hearing that the
27 offense or offenses charged in the complaint have been
28 established by the evidence, the court shall order the suspension

1 or revocation of the license but, in so doing, shall take into
2 consideration whatever order, if any, may have been made in the
3 premises by the supervisor of liquor control. If the court finds
4 that to revoke the license would be unduly severe, then the court
5 may suspend the license for such period of time as the court
6 deems proper.

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

9 8. It shall be the duty of the prosecuting attorney or
10 circuit attorney to prosecute diligently and without delay any
11 such complaints coming to him by virtue of this section.

12 9. The jurisdiction herein conferred upon the circuit
13 courts to hear and determine complaints for the suspension or
14 revocation of licenses in the manner provided in this section
15 shall not be exclusive and any authority conferred upon the
16 supervisor of liquor control to revoke or suspend licenses shall
17 remain in full force and effect, and the suspension or revocation
18 of a license as provided in this section shall be in addition to
19 and not in lieu of any other revocation or suspension provided by
20 this chapter.

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

23 311.720. Conviction in any court of any violation of this
24 chapter or chapter 572, or any felony violation of chapter 195,
25 in the course of business, shall have the effect of automatically
26 revoking the license of the person convicted, and such revocation
27 shall continue operative until said case is finally disposed of,
28 and if the defendant is finally acquitted, he may apply for and

1 receive a license hereunder, upon paying the regular license
2 charge therefor, in the same manner as though he had never had a
3 license hereunder; provided, however, that the provisions of this
4 section shall not apply to violations of section 311.070, and
5 violations of said section shall be punished only as therein
6 provided.

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

18 2. The initial members of the commission shall be appointed
19 within thirty days of April 29, 1993. Of the members first
20 appointed, one shall be appointed for a one-year term, two shall
21 be appointed for a two-year term and two shall be appointed for a
22 three-year term. Thereafter, all members appointed shall serve
23 for a three-year term. No person shall serve as a member more
24 than six years. The governor shall designate one of the members
25 as the chair. The governor may remove any member of the
26 commission from office for malfeasance or neglect of duty in
27 office. The governor may also replace any member of the
28 commission, with the advice and consent of the senate, when any

1 responsibility concerning the state lottery, pari-mutuel wagering
2 or any other form of gaming is placed under the jurisdiction of
3 the commission.

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

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

1 licensee of the commission shall participate or wager in any
2 operation under the jurisdiction of the commission.

3 5. On April 29, 1993, all the authority, powers, duties,
4 functions, records, personnel, property, matters pending and all
5 other pertinent vestiges of the state tourism commission relating
6 to the regulation of excursion gambling boats and, after June 30,
7 1994, of the department of revenue relating to the regulation of
8 the game of bingo shall be transferred to the Missouri gaming
9 commission.

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

14 7. Members of the Missouri gaming commission shall receive
15 as compensation, the amount of one hundred dollars for every day
16 in which the commission holds a meeting, when such meeting is
17 subject to the recording of minutes as provided in chapter 610,
18 and shall be reimbursed for reasonable expenses incurred in the
19 performance of their duties. The chair shall receive as
20 additional compensation one hundred dollars for each month such
21 person serves on the commission in that capacity.

22 8. No member or employee of the commission shall be
23 appointed or continue to be a member or employee who is licensed
24 by the commission as an excursion gambling boat operator or
25 supplier and no member or employee of the commission shall be
26 appointed or continue to be a member or employee who is related
27 to any person within the second degree of consanguinity or
28 affinity who is licensed by the commission as an excursion

1 gambling boat operator or supplier. The commission shall
2 determine by rule and regulation appropriate restrictions on the
3 relationship of members and employees of the commission to
4 persons holding or applying for occupational licenses from the
5 commission or to employees of any licensee of the commission. No
6 peace officer, as defined by section 590.010, who is designated
7 to have direct regulator authority related to excursion gambling
8 boats shall be employed by any excursion gambling boat or
9 supplier licensed by the commission while employed as a peace
10 officer. No member or employee of the commission or any employee
11 of the state attorney general's office or the state highway
12 patrol who has direct authority over the regulation or
13 investigation of any applicant or licensee of the commission or
14 any peace officer of any city or county which has approved
15 excursion boat gambling shall accept any gift or gratuity from an
16 applicant or licensee while serving as a member or while under
17 such employment. Any person knowingly in violation of the
18 provisions of this subsection is guilty of a class A misdemeanor.
19 Any such member, officer or employee who personally or whose
20 prohibited relative knowingly violates the provisions of this
21 subsection, in addition to the foregoing penalty, shall, upon
22 conviction, immediately and thereupon forfeit his office or
23 employment.

24 9. The commission may enter into agreements with the
25 Federal Bureau of Investigation, the Federal Internal Revenue
26 Service, the state attorney general or any state, federal or
27 local agency the commission deems necessary to carry out the
28 duties of the commission, including investigations relating to

1 and the enforcement of the provisions of chapter 572 relating to
2 illegal gambling. No state agency shall count employees used in
3 any agreements entered into with the commission against any
4 personnel cap authorized by any statute. Any consideration paid
5 by the commission for the purpose of entering into, or to carry
6 out, any agreement shall be considered an administrative expense
7 of the commission. When such agreements are entered into for
8 responsibilities relating to excursion gambling boats, the
9 commission shall require excursion gambling boat licensees to pay
10 for such services under rules and regulations of the commission.
11 The commission may provide by rules and regulations for the
12 offset of any prize or winnings won by any person making a wager
13 subject to the jurisdiction of the commission, when practical,
14 when such person has an outstanding debt owed the state of
15 Missouri.

16 10. No person who has served as a member or employee of the
17 commission, as a member of the general assembly, as an elected or
18 appointed official of the state or of any city or county of this
19 state in which the licensing of excursion gambling boats has been
20 approved in either the city or county or both or any employee of
21 the state highway patrol designated by the superintendent of the
22 highway patrol or any employee of the state attorney general's
23 office designated by the state attorney general to have direct
24 regulatory authority related to excursion gambling boats shall,
25 while in such office or during such employment and during the
26 first two years after termination of his office or position,
27 obtain direct ownership interest in or be employed by any
28 excursion gambling boat licensed by the commission or which has

1 applied for a license to the commission or enter into a
2 contractual relationship related to direct gaming activity. A
3 "direct ownership interest" shall be defined as any financial
4 interest, equitable interest, beneficial interest, or ownership
5 control held by the public official or employee, or such person's
6 family member related within the second degree of consanguinity
7 or affinity, in any excursion gambling boat operation or any
8 parent or subsidiary company which owns or operates an excursion
9 gambling boat or as a supplier to any excursion gambling boat
10 which has applied for or been granted a license by the
11 commission, provided that a direct ownership interest shall not
12 include any equity interest purchased at fair market value or
13 equity interest received as consideration for goods and services
14 provided at fair market value of less than one percent of the
15 total outstanding shares of stock of any publicly traded
16 corporation or certificates of partnership of any limited
17 partnership which is listed on a regulated stock exchange or
18 automated quotation system. Any person who knowingly violates
19 the provisions of this subsection is guilty of a class E felony.
20 Any such member, officer or employee who personally and knowingly
21 violates the provisions of this subsection, in addition to the
22 foregoing penalty, shall, upon conviction, immediately and
23 thereupon forfeit his office or employment. For purposes of this
24 subsection, "appointed official" shall mean any official of this
25 state or of any city or county authorized under subsection 10 of
26 section 313.812 appointed to a position which has discretionary
27 powers over the operations of any licensee or applicant for
28 licensure by the commission. This shall only apply if the

1 appointed official has a direct ownership interest in an
2 excursion gambling boat licensed by the commission or which has
3 applied for a license to the commission to be docked within the
4 jurisdiction of his or her appointment. No elected or appointed
5 official, his or her spouse or dependent child shall, while in
6 such office or within two years after termination of his or her
7 office or position, be employed by an applicant for an excursion
8 gambling boat license or an excursion gambling boat licensed by
9 the commission. Any other person related to an elected or
10 appointed official within the second degree of consanguinity or
11 affinity employed by an applicant for an excursion gambling boat
12 license or excursion gambling boat licensed by the commission
13 shall disclose this relationship to the commission. Such
14 disclosure shall be in writing and shall include who is employing
15 such individual, that person's relationship to the elected or
16 appointed official, and a job description for which the person is
17 being employed. The commission may require additional
18 information as it may determine necessary.

19 11. The commission may enter into contracts with any
20 private entity the commission deems necessary to carry out the
21 duties of the commission, other than criminal law enforcement,
22 provision of legal counsel before the courts and other agencies
23 of this state, and the enforcement of liquor laws. The
24 commission may require provisions for special auditing
25 requirements, investigations and restrictions on the employees of
26 any private entity with which a contract is entered into by the
27 commission.

28 12. Notwithstanding the provisions of chapter 610 to the

1 contrary, all criminal justice records shall be available to any
2 agency or commission responsible for licensing or investigating
3 applicants or licensees applying to any gaming commission of this
4 state.

5 13. (1) The commission shall establish a telephone contact
6 number, which shall be prominently displayed on the commission's
7 website, to receive reports of suspected illegal gambling
8 activities. Upon the receipt of such report, the commission
9 shall refer such reports to the Missouri state highway patrol for
10 investigation pursuant to section 43.380. The commission shall
11 notify the subject of such investigation within thirty days of
12 receiving a report under this subsection.

13 (2) Any person or establishment licensed under this chapter
14 that is convicted of or pleads guilty to a violation punishable
15 under chapter 572, and any affiliated company of such person or
16 establishment, shall be permanently prohibited from being
17 licensed to participate in any way in a program implementing
18 video lottery gaming terminals should such a program be
19 implemented in this state.

20 313.255. 1. The director shall issue, suspend, revoke, and
21 renew licenses for lottery game retailers pursuant to rules and
22 regulations adopted by the commission. Such rules shall specify
23 that at least ten percent of all licenses awarded to lottery game
24 retailers in constitutional charter cities not within a county
25 and constitutional charter cities with a population of at least
26 four hundred fifty thousand not located wholly within a county of
27 the first class with a charter form of government shall be
28 awarded to minority-owned and -controlled business enterprises.

1 Licensing rules and regulations shall include requirements
2 relating to the financial responsibility of the licensee, the
3 accessibility of the licensee's place of business or activity to
4 the public, the sufficiency of existing licenses to serve the
5 public interest, the volume of expected sales, the security and
6 efficient operation of the lottery, and other matters necessary
7 to protect the public interest and trust in the lottery and to
8 further the sales of lottery tickets or shares. Lottery game
9 retailers shall be selected without regard to political
10 affiliation.

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

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

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

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

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

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

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

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

28 7. A license may be suspended, revoked, or not renewed for

1 any of the following causes:

2 (1) A change of business location;

3 (2) An insufficient sales volume;

4 (3) A delinquency in remitting money owed to the lottery;

5 [or]

6 (4) Any violation of any rule or regulation adopted

7 pursuant to this section by the commission; or

8 (5) Possession of a gambling device as defined pursuant to
9 section 572.010.

10 572.010. As used in this chapter the following terms mean:

11 (1) "Advance gambling activity", a person advances gambling
12 activity if, acting other than as a player, he or she engages in
13 conduct that materially aids any form of gambling activity.

14 Conduct of this nature includes but is not limited to conduct
15 directed toward the creation or establishment of the particular
16 game, lottery, contest, scheme, device or activity involved,
17 toward the acquisition or maintenance of premises, paraphernalia,
18 equipment or apparatus therefor, toward the solicitation or
19 inducement of persons to participate therein, toward the actual
20 conduct of the playing phases thereof, toward the arrangement or
21 communication of any of its financial or recording phases, or
22 toward any other phase of its operation. A person advances
23 gambling activity if, having substantial proprietary control or
24 other authoritative control over premises being used with his or
25 her knowledge for purposes of gambling activity, he or she
26 permits that activity to occur or continue or makes no effort to
27 prevent its occurrence or continuation. The supplying, servicing
28 and operation of a licensed excursion gambling boat under

1 sections 313.800 to 313.840 does not constitute advancing
2 gambling activity;

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

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

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

27 (5) "Gambling device", any device, machine, paraphernalia
28 or equipment that is not approved by the Missouri gaming

1 commission or state lottery commission under the provisions of
2 chapter 313 and that:

3 (a) Contains a random number generator where prize payout
4 percentages are controlled or adjustable;

5 (b) Is used in any scenario where coins or cash prizes are
6 involved or any scenario where a prize is converted to cash or
7 monetary credit of any kind related to the use of the gambling
8 device; or

9 (c) Is used or usable in the playing phases of any gambling
10 activity, whether that activity consists of gambling between
11 persons or gambling by a person with a machine, regardless of
12 whether the machine or device or system or network of devices
13 includes a preview of the outcome or whether the outcome is
14 known, displayed, or capable of being known or displayed to the
15 user.

16

17 However, lottery tickets, policy slips and other items used in
18 the playing phases of lottery and policy schemes are not gambling
19 devices within this definition;

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

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

28 (8) "Player", a person who engages in any form of gambling

1 solely as a contestant or bettor, without receiving or becoming
2 entitled to receive any profit therefrom other than personal
3 gambling winnings, and without otherwise rendering any material
4 assistance to the establishment, conduct or operation of the
5 particular gambling activity. A person who gambles at a social
6 game of chance on equal terms with the other participants therein
7 does not otherwise render material assistance to the
8 establishment, conduct or operation thereof by performing,
9 without fee or remuneration, acts directed toward the arrangement
10 or facilitation of the game, such as inviting persons to play,
11 permitting the use of premises therefor and supplying cards or
12 other equipment used therein. A person who engages in
13 "bookmaking" as defined in subdivision (2) of this section is not
14 a player;

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

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

24 (11) "Slot machine", a gambling device that as a result of
25 the insertion of a coin or other object operates, either
26 completely automatically or with the aid of some physical act by
27 the player, in such a manner that, depending upon elements of
28 chance, it may eject something of value, regardless of whether

1 the machine or device or system or network of devices includes a
2 preview of the outcome or whether the outcome is known,
3 displayed, or capable of being known or displayed to the user. A
4 device so constructed or readily adaptable or convertible to such
5 use is no less a slot machine because it is not in working order
6 or because some mechanical act of manipulation or repair is
7 required to accomplish its adaptation, conversion or workability.
8 Nor is it any less a slot machine because apart from its use or
9 adaptability as such it may also sell or deliver something of
10 value on a basis other than chance;

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

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

18 572.015. 1. Nothing in this chapter prohibits
19 constitutionally authorized activities under Article III,
20 Sections 39(a) to 39(f) of the Missouri Constitution.

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

24 (1) "Net proceeds", the gross amount paid for tickets for a
25 raffle or sweepstakes minus the payment of prizes and
26 administrative expenses. Administrative expenses relating to the
27 purchase or rental of supplies and equipment utilized in
28 conducting the raffle or sweepstakes shall not be in excess of

1 the reasonable market purchase price or reasonable market rental
2 rate for such supplies and equipment, and in no case shall such
3 administrative expenses be based on a percentage of proceeds.

4 (2) "Raffle" or "sweepstakes", the award by chance of one
5 or more prizes to one or more persons among a group of persons
6 who have paid or promised something of value in exchange for a
7 ticket that represents one or more equal chances to win a prize,
8 and for which all tickets have been sold prior to the selection
9 of a winner or winners;

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

16 572.100. The general assembly by enacting this chapter
17 intends to preempt any other regulation of the area covered by
18 this chapter. No governmental subdivision or agency may enact or
19 enforce a law that regulates or makes any conduct in the area
20 covered by this chapter an offense, or the subject of a criminal
21 or civil penalty or sanction of any kind, except for the
22 revocation, suspension, or denial by the Missouri lottery
23 commission, the Missouri gaming commission, or the division of
24 alcohol and tobacco control of a license issued under chapters
25 311 or 313. The term "gambling", as used in this chapter, does
26 not include licensed activities under sections 313.800 to
27 313.840.

28 Section B. Because of the need to eliminate illegal

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