

**Title 11--DEPARTMENT OF PUBLIC SAFETY  
Division 45--Missouri Gaming Commission  
Chapter 5--Conduct of Gaming**

**PROPOSED AMENDMENT**

**11 CSR 45-5.056 Ethical Restrictions.** The commission is amending sections (1) through (15).

*PURPOSE: This amendment updates the class designation, corrects the Supplier license title for consistency with other regulations in 11 CSR 45, and replaces "riverboat" with "excursion gambling boat" for consistency with the term defined in statute.*

(1) For purposes of this [11 CSR 45-5.056] **rule-**

(A) "Affiliate" shall be defined as any entity with a parent company that is a holder of or applicant for a [class A or supplier's] **Class A or Supplier** license, or any entity that shares a common parent company with a holder of or applicant for a Class A or [supplier's] **Supplier** license;

(B) "Appointed official" shall be defined as any employee or agent of a governmental entity who holds a position with discretionary authority to take or vote on the following actions:

1. Promulgation of ordinances, rules or regulations with the effect of law that are applicable to the operations of a holder of or applicant for a Class A [ or supplier's], **Class B, or Supplier** license;

2. Granting of governmental approvals, licenses or certifications to a holder of or applicant for a Class A [ or supplier's], **Class B, or Supplier** license;

3. Enforcement of statutes or of ordinances, rules or regulations with the effect of law against a holder of or applicant for a [class A or supplier's] **Class A, Class B, or Supplier** license [or at a riverboat gaming operation]; provided that, in the case of law enforcement personnel, such person must—

[a] actually] **A. Actually** exercise such authority;

[b] be] **B. Be** specifically assigned by the governmental entity to exercise such authority; or

[c] hold] **C. Hold** the power to assign such personnel to exercise such authority; and

4. Entering into any contract or agreement between the governmental entity and a holder of or applicant for a Class A [ or supplier's], **Class B, or Supplier** license;

(C) "Commission representative" shall be defined as any member, employee, or agent of the commission or any employee of the state highway patrol designated by the superintendent of the highway patrol to have direct regulatory authority related to excursion gambling boats or any employee of the state attorney general's office designated by the state attorney general to have direct regulatory authority related to excursion gambling boats;

(D) "Direct gaming activity" shall be defined as the management of a casino, the operation of gambling games, the receipt of wagers as part of such games, the payment of winnings to wagerers involved in such games, and the providing of gaming equipment or supplies;

(E) "Direct ownership interest" shall be defined as any financial interest, equitable interest, beneficial interest, or ownership control held by the government official, or such person's family member related within the second degree of consanguinity or affinity, in an excursion gambling boat operation; in any holder of or applicant for a Class A [ or supplier's], **Class B, or Supplier** license; or in any holding company or affiliate company of a holder of or applicant for a Class A

*[or supplier's]*, **Class B, or Supplier** license; provided that a direct ownership interest shall not include any equity interest purchased at fair market value, or equity interest received as consideration for goods and services provided at fair market value, of less than one percent (1%) of the total outstanding shares of stock of any publicly traded corporation or certificates of partnership of any limited partnership which is listed on a regulated stock exchange or automated quotation system;

(F) "Direct regulatory authority" shall be defined as any role in the enforcement of the Riverboat Gambling Act and the regulations promulgated thereunder;

(G) "Employ" shall be defined as any of the following:

1. Hiring a person as an employee;
2. Engaging the services of a person with knowledge or reason to believe that the person's employer provides consideration to the person that is derived from or contingent upon consideration paid to that employer for the services provided; or
3. Engaging the services of an entity controlled by a person with knowledge or reason to believe that the person will receive consideration that is derived from or contingent upon consideration paid to the entity for the services provided, in which case the controlling person is "employed";

(H) "Ex parte communication" shall be defined as direct or indirect communication by any holder of or applicant for a *Class A [or supplier's]*, **Class B, or Supplier** license, or any representative or agent of such license holder or applicant, with any commission member regarding any matters under the jurisdiction of the commission related to the respective holder of or applicant for a *Class A [or supplier's]*, **Class B, or Supplier** license, unless such communications take place during an official commission or commission committee meeting, or, if written, are provided to all other commission members within five (5) days of the initial communication and prior to any commission action on the matter. The following shall not be defined as ex parte communication:

1. Any written communication addressed and sent to all commission members;
2. Any communication taking place at a meeting of a governmental entity subject to the Missouri Open Meetings Act, including, but not limited to, meetings of the commission or any committee of the commission;
3. Any communication with employees or agents of the commission who are not commission members, including any such communication that may also involve a commission member as a participant, provided that, if a commission member does participate in such communication, this exemption shall apply only if the holder of or applicant for a *Class A [or supplier's]*, **Class B, or Supplier** license summarizes, reduces to writing and distributes such writing to all commission members within five (5) days of the communication and prior to any commission action on the matter; and

4. Any communication between a commission member and a government official;

(I) "Government official" shall be defined as any of the following:

1. A commission representative;
2. A member of the General Assembly; or
3. An elected official or an appointed official of the state of Missouri or of any Missouri city or county in which the licensing of excursion gambling boats has been approved in either the city or county or both;

(J) "Parent company" shall be defined as a holding company defined in 11 CSR 45-10.040[(7)(B)] or as any other entity which, directly or indirectly through one or more

intermediaries, possesses the power to direct or cause the direction of the management and policies of a person, whether through the ownership of voting shares, by contract or otherwise; and

(K) "Representative or agent" of a license holder or applicant shall be defined as a key person or occupational licensee employee of the license holder or applicant or any individual who acts as a common law agent on behalf of the license holder or applicant before the commission, such as an attorney, accountant, or lobbyist.

(2) No holder of or applicant for a Class A[ *or supplier's*], **Class B, or Supplier** license may have a contractual relationship involving, as a party or agent of a party, a person who is a government official at the time of the relationship or who has been a government official within (2) two years prior to the relationship, if such contractual relationship is one in which any aspect of direct gaming activity is included in the duties or obligations of the government official, former government official or the party for which he or she acts as an agent.

(3) No holder of or applicant for a Class A[ *or supplier's*], **Class B, or Supplier** license, or any representative or agent of such license holder or applicant, may enter into any contractual relationship with any commission representative in which the commission representative receives consideration that is above fair market value.

(4) No holder of or applicant for a Class A[ *or supplier's*], **Class B, or Supplier** license may employ or offer to employ a person, or the spouse or dependent child of such a person, who is a government official at the time of such employment or offer, or who has been a government official within two (2) years prior to such employment or offer.

(5) No holder of or applicant for a Class A[ *or supplier's*], **Class B, or Supplier** license, or any representative or agent of such license holder or applicant, may attempt to influence any official action of a government official by reason of offering to employ any person; provided that this [11 CSR 45-5.056(5)]**subsection** shall not prohibit offering employment to any person who has been recommended for employment by a government official, if the offer of employment is not an attempt to influence a specific official action of that government official.

(6) No representative or agent of a holder of or applicant for a Class A[ *or supplier's*], **Class B, or Supplier** license, may employ or offer employment to any commission representative.

(7) No holder of or applicant for a Class A[ *or supplier's*], **Class B, or Supplier** license may knowingly offer a direct ownership interest to or allow a direct ownership interest to be held by a person who is a government official at the time of holding such direct ownership interest or who has been a government official within two (2) years prior to holding such direct ownership interest; provided that knowledge of a broker or transfer agent for a publicly traded license holder or applicant shall not be imputed to such license holder or applicant for purposes of this [11 CSR 45-5.056(7)]**rule**.

(8) No holder of or applicant for a Class A[ *or supplier's*], **Class B, or Supplier** license, or any representative or agent of such license holder or applicant, may offer any gift to any commission representative or to any peace officer of any city or county which has approved gambling games on excursion gambling boats[ *pursuant to section 313.812.10, RSMo*].

(9) No holder of or applicant for a Class A[ *or supplier's*], **Class B, or Supplier** license, or any representative or agent of such license holder or applicant, may knowingly engage in ex parte communication with any commission member.

(10) No holder of or applicant for a [Class A *or supplier's*] license or any representative or agent of such license holder or applicant, may offer, promise, or give anything of value or benefit to a person who is connected with a [Class A] licensee including, but not limited to, an officer or employee of a licensee or holder of an occupational license, pursuant to an agreement or arrangement or with the intent that the promise or thing of value or benefit will influence the actions of the person to whom the offer, promise or gift was made in order to affect or attempt to affect the outcome of a gambling game, or to influence official action of a member of the commission.

(11) No holder of or applicant for a [Class A *or supplier's*] license or any representative or agent of such license holder or applicant, may solicit or knowingly accept or receive a promise of anything of value or benefit while the person is connected with an excursion gambling boat including, but not limited to, an officer or employee of a licensee or holder of an occupational license, pursuant to an agreement or arrangement or with the intent that the promise or thing of value or benefit will influence the actions of the person to affect or attempt to affect the outcome of a gambling game, or to influence official action of a member of the commission.

(12) No holder of or applicant for a Class A[ *or supplier's*], **Class B, or Supplier** license or any representative or agent of such license holder or applicant may solicit, suggest, request, or recommend to any individual or entity the appointment of any commission representative to any office, place, position, or employment.

(13) No holder of or applicant for a Class A[ *or supplier's*], **Class B, or Supplier** license or any representative or agent of such license holder or applicant may hire or utilize the services of a commission representative or a person who has been a commission representative within the previous two (2) years as a representative or agent of the holder of or applicant for a Class A[ *or supplier's*], **Class B, or Supplier** license.

(14) No holder of or applicant for a Class A[ *or supplier's*], **Class B, or Supplier** license may enter into any scheme or arrangement through which one or more of the relationships, transactions, or activities prohibited by this [11 CSR 45-5.056]rule is knowingly effected through an affiliate or parent company of the applicant or license holder in an attempt to circumvent the provisions of this [11 CSR 45-5.056]rule.

(15) Notwithstanding sections [11 CSR 45-5.056](1) through (14), this [11 CSR 45-5.056]rule shall not prohibit any applicant or licensee from-

- (A) Allowing any person to engage in legal gaming activity as a patron of a casino;
- (B) Charging an admission fee to any person to enter a gaming establishment; or
- (C) Entering into an agreement with the state, any political subdivision of the state or any other governmental entity that is otherwise legal and that has been disclosed to the commission within ten (10) days of consummation; including, but not limited to, agreements for the reimbursement of

expenses incurred by a governmental entity for services of agents or employees of that entity acting in their official capacities.

*AUTHORITY: section[s 313.800, 313.805, 313.812 and] 313.830, RSMo [1994] **2016 and sections 313.800, 313.805, and 313.812, RSMo Supp. 2022.** \* Original rule filed Feb. 19, 1998, effective Aug. 30, 1998. Amended: Filed May 13, 1998, effective Jan. 30, 1999. Amended: Filed Nov. 12, 1998, effective June 30, 1999. **Amended: Filed June 29, 2023.***

*PUBLIC COST: This proposed amendment will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.*

*PRIVATE COST: This proposed amendment will not cost private entities more than five hundred dollars (\$500) in the aggregate.*

*NOTICE OF PUBLIC HEARING AND NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed amendment via email to [MGCPolicy@mgc.dps.mo.gov](mailto:MGCPolicy@mgc.dps.mo.gov), or by mail to the Missouri Gaming Commission, Policy Section, PO Box 1847, Jefferson City, MO 65102. To be considered, comments must be received within thirty (30) days after publication of this notice in the **Missouri Register**. A public hearing is scheduled for September 5, 2023, at 10:00 a.m., in the Missouri Gaming Commission's Hearing Room, 3417 Knipp Drive, Jefferson City, Missouri.*