

**Title 11—DEPARTMENT OF PUBLIC SAFETY**  
**Division 45—Missouri Gaming Commission**  
**Chapter 4—Licenses**

**PROPOSED AMENDMENT**

**11 CSR 45-4.020 Licenses, Restrictions on Licenses, Licensing Authority of the Executive Director, and Other Definitions.** The commission is amending sections (3), (6), and (7).

*PURPOSE: This amendment changes terms regarding key persons and key business entities, requirements for appointees to Level I positions, and the term for gaming equipment.*

(3) **Exemptions**— *[A key person/key business entity license shall include:*

*(A) An officer, director, trustee, proprietor, managing agent, or general manager of an applicant or licensee, or of a key business entity of an applicant or licensee;*

*(B) A holder of any direct or indirect legal or beneficial publicly traded or privately held interest whose combined direct, indirect, or attributed publicly traded interest is five percent (5%) or more or privately held interest is one percent (1%) or more in an applicant or licensee or in a key business entity of an applicant or licensee—*

*1.] (A) A key person or key business entity who is the holder of five percent (5%) or more publicly traded interest or one percent (1%) or more privately held interest, but not more than ten percent (10%) publicly traded or privately held interest, who holds such interest only for passive (“Not involving active participation; esp., of or relating to a business enterprise in which an investor does not have immediate control over the activity that produces income.” *Black’s Law Dictionary* Seventh Edition) investment purposes (including economic purposes) may be exempted from licensure by the executive director [;].*

*[2.] (B) The commission by majority vote may grant exemption from licensure for holdings of up to twenty percent (20%) [;].*

*[3.] (C) Exemptions may be granted to institutional investors in advance to hold interest in multiple licensees [;].*

*[4.] (D) Exemptions shall be for two (2) years unless renewed [;].*

*[5.] (E) Requests for exemption from licensure must be submitted on a Request of Waiver for Licensure of Institutional Investor form, which is available for public inspection at the offices of the commission and online at the commission’s website ([www.mgc.dps.mo.gov](http://www.mgc.dps.mo.gov)). Request forms shall be submitted in advance of acquiring such interest or within ten (10) days thereafter certifying under oath—*

*[A.] 1. The interest is being acquired for passive investment purposes;*

*[B.] 2. The holder does not nor will it have any involvement in the management activities of the entity;*

*[C.] 3. The holder does not have any intention of controlling the entity regardless of additional stock that may be acquired;*

*[D.] 4. The holder will within ten (10) days notify the commission of any purchase of stock in the entity which causes the total holding of the entity’s outstanding stock to exceed the threshold for which the waiver is granted;*

[E.] 5. In the event the holder subsequently develops an intention of controlling or participating in the management of said entity, said holder shall notify the commission of said change and refrain from participating in management or exercising such control until approved for licensure by the commission;

[F.] 6. The home and business address, occupation, employer, and title if the applicant is an individual; and

[G.] 7. The type of entity (corporation, partnership, limited partnership, LLC, LLP, etc.), state of charter, and the names and both home and business address of the following personnel if the applicant is a business entity—

[(I)] A. Chief executive officer (CEO);

[(II)] B. Chief financial officer (CFO);

[(III)] C. Chief operating officer (COO);

[(IV)] D. Managing partner(s);

[(V)] E. General partner(s);

[(VI)] F. Members of the Board of Directors; and

[(VII)] G. The registered agent;

[6.] 8. The executive director shall keep a record of all such exemptions granted and the positions held by each entity and shall present a written report on the same to the commission on a monthly basis; and

[7.] 9. Nothing in this section including the granting of an exemption shall prohibit the commission, at a future date, in its sole discretion, with or without cause from requiring any owner of any interest in a licensee from becoming licensed by the commission or to divest itself of stock ownership[;].

*[(C) A holder of any direct or indirect legal or beneficial interest in an applicant or licensee or in a key business entity of an applicant or licensee if the interest was required to be issued under agreement with or authority of a government entity;*

*(D) An owner of an excursion gambling boat; and*

*(E) Any individual or business entity so designated by the commission or the executive director.]*

(6) In the event that one of the positions, *[other than the surveillance manager/director,]* required by section (5) becomes vacant, an interim replacement licensee shall be immediately appointed to serve. *[The]* **Except for the surveillance manager/director position, the** interim appointee may be one of the current Level I licensees required by section (5). The permanent position shall be staffed within one hundred eighty (180) days, unless otherwise approved by the commission.

(7) Occupational License Level II includes any of the following positions that are not required to hold an Occupational License Level I:

(C) Any position with a licensed gaming supplier company that would require the holder to have access to the excursion gambling boat to perform his or her function or duties if such function or duties involve installation, servicing, maintenance, repair or accessing secured or locked components of any *[gambling]* **gaming** equipment or supplies, or involve verification or payment of patron awards; and

*AUTHORITY: sections 313.004, [RSMo Supp. 2014,] **313.805**, and [section] 313.807, RSMo [Supp. 2013] **2016**. Emergency rule filed Sept. 1, 1993, effective Sept. 20, 1993, expired Jan. 17, 1994. Emergency rule filed Jan. 5, 1994, effective Jan. 18, 1994, expired Jan. 30, 1994. Original rule filed Sept. 1, 1993, effective Jan. 31, 1994. For intervening history, please consult the **Code of State Regulations**. Amended: Filed April 26, 2018.*

*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 with the Missouri Gaming Commission, 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 Tuesday, July 10, 2018, at 10:00 a.m., in the Missouri Gaming Commission's Hearing Room, 3417 Knipp Drive, Jefferson City, Missouri.*