

ILLEGAL GAMBLING IN MISSOURI

Chapter 572 of the Missouri Revised Statutes ("RSMo") prohibits all gambling activities that are not licensed by the state of Missouri. Article III, Section 39 of the *Missouri Constitution* specifically authorizes only five types of gambling activities in Missouri: charitable bingo (Section 39(a)), the state lottery (Section 39(b)), on track pari-mutuel betting on horse racing (Section 39(c)), riverboat gambling (Section 39(e)), and charitable raffles and sweepstakes (Section 39(f)). The Missouri Gaming Commission ("Commission") is charged with the responsibility of regulating charitable bingo, horse racing, and riverboat gambling, while the state lottery is controlled and operated by the State Lottery Commission. Presently, no state agency is assigned to regulate charitable raffles and sweepstakes.

Only federally recognized, tax-exempt charitable and religious organizations may offer raffles and sweepstakes to the public. Organizations wishing to conduct charitable bingo must first be licensed by the Commission, as well as be a federally recognized, tax-exempt charitable, religious, fraternal, service, or veteran organization. Any individual or business wishing to conduct horse racing or riverboat gambling must first be licensed by the Commission before any such operation(s) will be authorized. The minimum initial fee for a horse racing license is determined by the Commission at the time of application, whereas the minimum initial fee for a riverboat gambling license is \$50,000.

Pursuant to Chapter 572, RSMo, any person who engages in an unauthorized gambling activity, promotes an unauthorized gambling activity, or possesses gambling records or any devices or machines, such as slot machines, that are used in an unauthorized gambling activity faces penalties ranging from 1-day to 1-year in the county jail to a maximum of 4-years in prison, as well as fines ranging in the amount of \$10 to \$5,000. A person engages in gambling when he pays to play a game of chance or places a wager on a future contingent event not under his control or influence with the understanding that he will receive something of value if he wins the game or a certain outcome occurs. Gambling games of skill such as blackjack, poker, and Texas hold'em that involve an element of chance are considered gambling activities in Missouri and are only authorized aboard the state's riverboat casinos, however, Article III, Section 39(9) of the *Missouri Constitution* does allow the citizens of Missouri to participate in unlicensed games of chance or skill provided the players of such games are not required to pay an entry fee or give any consideration in order to play the game or receive a prize, including but not limited to general entry fees, cover charges, reservation fees, dues, mandatory donations, or registration fees. If a person or organization chooses to charge an entry fee to players to participate in an unlicensed gambling activity, in order for the activity not to be considered an unauthorized gambling activity no prizes of any value may be awarded to any player, including but not limited to ribbons, trophies, tokens, tickets, coupons, points, food, travel and vacation expenses, or money. Also, despite the fact that Article III, Section 39(9) does not impose an age restriction on participants in unlicensed games of chance or skill, organizations holding such games are encouraged to set an appropriate age restriction on participants, including requiring minor participants, if any, to be accompanied by a parent, guardian, or responsible adult designated as such by the minor's parent(s) or guardian(s).

Pursuant to Chapter 434, RSMo, any person who has lost money or property as a result of his participation in an unauthorized gambling activity may file a civil law suit to recover his losses within three (3) months from the date the losses occurred. This right to recover losses from unauthorized gambling activity also extends to a person's spouse, heirs, and creditors, as well as to the parents of any minor who loses money or property while participating in an unauthorized gambling activity. The Commission is a regulatory agency and not a law enforcement agency, and therefore; persons seeking advice as to whether a proposed or ongoing activity constitutes an unauthorized gambling activity should consult their local circuit or prosecuting attorney, as he or she is the state official responsible for prosecuting gambling law violations in Missouri.