# Rules of Department of Revenue

## Division 40—State Lottery

### Chapter 10—General Considerations

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Title 12—DEPARTMENT OF REVENUE
Division 40—State Lottery
Chapter 10—General Considerations

12 CSR 40-10.010 Definitions

PURPOSE: This rule defines the terms used throughout all Lottery Commission rules.

(1) Person. Any natural person, individual, firm, corporation, partnership, trust, limited liability company (LLC), or unincorporated association.

(2) Vendor. Any person who contracts with the commission to supply goods or services which will be used directly in the operation of lottery games. Vendor does not include parent corporations of, holding companies of or subsidiary corporations of a corporation contracting with the commission.

(3) Licensee. Any person licensed to sell lottery tickets at one (1) or more locations.

(4) Director or Executive Director. The director, if any.

12 CSR 40-10.020 Sovereign Immunity

PURPOSE: This rule provides that sovereign immunity applies to the lottery operations except as it is waived by the legislature.

The Missouri State Lottery Commission, its staff and employees and the state of Missouri shall not be liable to any licensee or vendor for any damage arising in connection with the operation or conduct of the lottery except as may be provided by statute.

12 CSR 40-10.030 Use of Certain Terms Prohibited

PURPOSE: This rule restricts the use of "Missouri Lottery," "State Lottery" or "Missouri State Lottery" without authorization of the director.

(1) No person shall use the terms "State Lottery," "Missouri Lottery" or "Missouri State Lottery" without the approval of the commission.

(2) The director is delegated to approve requests for use of the terms set forth in section (1).

(3) The director shall inform the commission of approvals under this rule at its next regular meeting.


12 CSR 40-10.040 Commission Meetings

PURPOSE: This rule informs the commission's meeting frequency and procedures.

(1) The commission shall meet at least quarterly, whether in person or via electronic media, with such meetings presided over by the chairman or, in the chairman's absence or at the chairman's request, by the vice chairman, if any.

(2) The commission shall elect officers from its membership as it determines.

(3) Interim meetings shall be convened at the request of the chairman or upon written request received by the chairman from a majority of the commission.

(4) The commission shall conduct its meetings in accordance with the current edition of Robert's Rules of Order Newly Revised in all cases in which they are applicable and not inconsistent with applicable law.


12 CSR 40-10.050 Personal Pecuniary Interest

PURPOSE: The purpose of this rule is to define personal pecuniary interest as that term is used in section 313.275.

(1) The Missouri State Lottery Commission interprets the term personal pecuniary interest as that term is used in section 313.275 to mean—

(A) Pecuniary interest means—

1. An ownership interest in the corporation, association or firm referred to in section 313.275; and

2. The ownership interest must exceed five percent (5%) of the total ownership; and

(B) A personal interest shall mean the exercise of any business or management decision, including the signing of a proxy voting requests by the individual involved. The term shall not include blind trusts or other arrangements in which trustees or other individuals execute management decisions without consultation with the individual and the individual owns only a beneficial interest.


12 CSR 40-10.060 Moneys Received

PURPOSE: The purpose of this rule is to define moneys received from the sale of lottery tickets as that term is used in section 313.321.

(1) The Missouri State Lottery Commission interprets the term moneys received from the sale of Missouri State Lottery tickets, as that term is used in section 313.321, to mean moneys received by the retailer for the sale of Missouri Lottery products to the public.


12 CSR 40-10.070 Alternative Distribution Channels

PURPOSE: The purpose of this rule is to define alternative distribution channels.
The lottery commission reserves the right to sell wagers through alternative distribution channels in order to ensure that the Missouri Lottery has the necessary products to sustain revenue growth and to remain competitive. These channels may be used to distribute lottery games, products, or promotions. Rules will be developed and established per channel and will adhere to existing rules of that particular game, product, or promotion. The lottery will report and settle retailer transactions in the same manner as the traditional retail distribution channel.
