

By: Representatives Reeves, Guice

To: Ways and Means

HOUSE BILL NO. 1157

1 AN ACT TO AMEND SECTION 97-33-52, MISSISSIPPI CODE OF 1972,
 2 TO PROVIDE THAT PROCEEDS FROM BINGO GAMES MAY NOT BE USED TO
 3 PURCHASE, CONSTRUCT OR IMPROVE A FACILITY FOR THE PURPOSE OF
 4 CONDUCTING BINGO GAMES; TO PROVIDE THAT PROCEEDS FROM BINGO GAMES
 5 MAY NOT BE USED TO PAY START-UP COSTS, ATTORNEYS FEES, APPELLATE
 6 FEES, FINES OR OTHER COSTS INCURRED UNDER THE CHARITABLE BINGO LAW
 7 UNLESS SUCH USE OF PROCEEDS IS APPROVED BY THE MISSISSIPPI GAMING
 8 COMMISSION; TO AMEND SECTION 97-33-61, MISSISSIPPI CODE OF 1972,
 9 TO PROVIDE THAT THE APPEAL OF A FINAL DECISION OF THE GAMING
 10 COMMISSION DOES NOT STAY THE ENFORCEMENT OF THE DECISION BY THE
 11 COMMISSION; TO AMEND SECTION 97-33-75, MISSISSIPPI CODE OF 1972,
 12 TO REVISE THE PENALTY FOR CERTAIN VIOLATIONS OF THE CHARITABLE
 13 BINGO LAW; TO AMEND SECTION 97-33-109, MISSISSIPPI CODE OF 1972,
 14 TO AUTHORIZE THE GAMING COMMISSION TO REQUIRE ACCESS TO BINGO AND
 15 CHARITY ACCOUNTS OF BINGO LICENSEES; AND FOR RELATED PURPOSES.

16 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

17 SECTION 1. Section 97-33-52, Mississippi Code of 1972, is
 18 amended as follows:

19 97-33-52. (1) A bingo game may be conducted only * * * when
 20 held for the benefit of a charitable organization that (i) is
 21 licensed pursuant to Section 97-33-55 or Section 97-33-59, and
 22 (ii) is domiciled in the State of Mississippi * * *.

23 * * *

24 (2) Except as may be otherwise provided in Sections 97-33-51
 25 through 97-33-203, all net proceeds derived from a bingo game
 26 authorized by this section shall be expended only for the purposes
 27 for which the organization is created, and no net proceeds derived
 28 from a bingo game authorized by this section shall be distributed
 29 to a charity outside of the State of Mississippi without the
 30 approval of the Mississippi Gaming Commission.

31 (3) None of the proceeds of a bingo game authorized to be
 32 held under this section shall be used to purchase, construct or

33 improve a building, hall or other facility * * * for the purpose
34 of conducting or operating a bingo game.

35 (4) Every organization which conducts bingo games shall
36 report to the Mississippi Gaming Commission at such time, in such
37 manner and on such forms as the commission prescribes. All
38 records and reports so filed shall be public records and shall be
39 available for inspection in accordance with the Mississippi Public
40 Records Act of 1983.

41 (5) No proceeds derived from a bingo game may be used to pay
42 start-up costs of an organization, attorneys fees, appellate
43 costs, fines or other costs incurred under the Charitable Bingo
44 Law unless the commission provides written approval for the use of
45 proceeds for such purposes.

46 SECTION 2. Section 97-33-61, Mississippi Code of 1972, is
47 amended as follows:

48 97-33-61. No license shall be revoked by the commission
49 until after a hearing is held on due notice. The commission may
50 designate a hearing examiner to hear the case and render a
51 decision. A licensee aggrieved by the decision of the hearing
52 examiner may apply within fifteen (15) days after announcement of
53 the decision in writing to the commission for review of the
54 decision. Review is limited to the record of proceedings before
55 the hearing examiner. The commission may sustain or reverse the
56 hearing examiner's decision.

57 Any person aggrieved by the final decision of the commission
58 may obtain a judicial review thereof in the circuit court of the
59 county in which the bingo games are conducted. The judicial
60 review must be instituted by filing a petition within ten (10)
61 days after the decision is rendered. The filing of a petition
62 does not stay enforcement of the final decision of the commission,
63 and the commission shall have the authority to issue a cease and
64 desist order causing immediate closure of the bingo hall.

65 SECTION 3. Section 97-33-75, Mississippi Code of 1972, is
66 amended as follows:

67 97-33-75. (1) Any person, association or corporation
68 violating any provision of Sections 97-33-51 through 97-33-203 or
69 any rule or regulation of the commission shall be subject to a

70 civil fine imposed by the commission and to suspension or
71 revocation of its license. Additionally, criminal sanctions may
72 be pursued under this section against any such person.

73 (2) Any person who commits any of the following acts, upon
74 conviction, shall be fined not more than Five Thousand Dollars
75 (\$5,000.00) or imprisoned for not less than one (1) year nor more
76 than three (3) years in the State Penitentiary, or both:

77 (a) Making any false statement in any application for a
78 license under Sections 97-33-51 through 97-33-203, or in any
79 official report to the commission;

80 (b) Holding, operating or conducting any bingo game
81 without a license;

82 (c) Knowingly falsifying or making any false entry in
83 any books or records, with respect to any transaction connected
84 with the holding, operating or conducting of any bingo game;

85 (d) Refusing to allow the commission access to any
86 premises where a game of chance is being conducted or to any book,
87 record or document relating to such conduct;

88 (e) Intentionally causing, aiding, abetting or
89 conspiring with another to cause any person to violate any
90 provision of Sections 97-33-51 through 97-33-203;

91 (f) Possessing, displaying, selling or otherwise
92 furnishing to any person any pull-tabs, except as provided for in
93 Section 97-33-77;

94 (g) Using net proceeds from a bingo game for purposes
95 other than which the charitable organization was created, except
96 as otherwise provided in Sections 97-33-51 through 97-33-203;

97 (h) Distributing charitable proceeds outside of the
98 State of Mississippi without the written approval of the
99 commission.

100 (3) Any person who violates any other provision of Sections
101 97-33-51 through 97-33-203 that is not listed in this section or
102 any rule or regulation of the commission may be imprisoned for not

103 more than six (6) months or fined not more than Five Hundred
104 Dollars (\$500.00), or both.

105 (4) Any conviction of any person pursuant to subsections (2)
106 and (3) of this section shall constitute cause for revocation of
107 the license of such person or the organization with which such
108 person is affiliated.

109 SECTION 4. Section 97-33-109, Mississippi Code of 1972, is
110 amended as follows:

111 97-33-109. (1) The commission shall monitor the conduct or
112 business of licensees, both on a routine scheduled and an
113 unscheduled basis, to the extent necessary to ensure compliance
114 with the provisions of charitable bingo game laws and regulations
115 of the state.

116 (2) In carrying out its enforcement responsibilities, the
117 commission may:

118 (a) Inspect and examine all premises in which
119 charitable bingo games are conducted or supplies or equipment for
120 such games are manufactured and distributed;

121 (b) Inspect all such supplies and equipment in, upon or
122 about such premises;

123 (c) Seize and remove from such premises and impound
124 such supplies and equipment for the purpose of examination and
125 inspection pursuant to an appropriate court order;

126 (d) Demand access to and audit and inspect all bingo
127 and charity accounts and other books and records of licensees for
128 the purpose of determining compliance with laws and regulations
129 relative to charitable bingo games;

130 (e) Conduct in-depth audits and investigations; and

131 (f) Mandate that internal controls be executed in
132 accordance with the provisions of the Charitable Bingo Law and
133 other applicable laws and regulations.

134 (3) The commission shall require licensees to maintain
135 records and submit reports.

136 (4) In addition to license revocation or suspension or any
137 criminal penalty imposed, the commission may assess a fine against
138 any person who violates any law or regulation relative to
139 charitable bingo games. Such a fine shall only be assessed after
140 notice and an opportunity for a hearing to be held.

141 (5) All departments, commissions, boards, agencies, officers
142 and institutions of the state, and all subdivisions thereof, shall
143 cooperate with the commission in carrying out its enforcement
144 responsibilities.

145 (6) The Attorney General shall be the attorney for the
146 commission in regard to its duties to regulate the Charitable
147 Bingo Law and he shall represent it in all legal proceedings and
148 shall prosecute any civil action for a violation of the provisions
149 of Sections 97-33-51 through 97-33-203 or the rules and
150 regulations of the commission.

151 (7) It is the duty of the sheriffs, deputy sheriffs and
152 police officers of this state to assist the commission in the
153 enforcement of the provisions of Sections 97-33-51 through
154 97-33-203 and to arrest and complain against any person violating
155 the provisions of Sections 97-33-51 through 97-33-203. It is the
156 duty of the district attorneys of this state to prosecute all
157 violations of the provisions of Sections 97-33-51 through
158 97-33-203 if requested to do so by the commission.

159 (8) (a) Whenever any person who is a resident of the State
160 of Mississippi has reason to believe that a person or organization
161 is or has violated the provisions of Sections 97-33-51 through
162 97-33-203 and that proceedings would be in the public interest, he
163 may bring an action in the name of the state against such person
164 to restrain by temporary or permanent injunction such violation,
165 upon at least five (5) days' summons before the hearing of the
166 action. The action shall be brought in the chancery or county
167 court of the county in which such violation has occurred or, with
168 consent of the parties, may be brought in the chancery or county

169 court of the county in which the State Capitol is located. The
170 said courts are authorized to issue temporary or permanent
171 injunctions to restrain and prevent violations of Sections
172 97-33-51 through 97-33-203, and such injunctions shall be issued
173 without bond.

174 (b) Any person who violates the terms of an injunction
175 issued under this subsection shall forfeit and pay to the state a
176 civil penalty of not more than Five Thousand Dollars (\$5,000.00)
177 per violation which shall be payable to the General Fund of the
178 State of Mississippi. For the purposes of this subsection, the
179 chancery or county court issuing an injunction shall retain
180 jurisdiction, and the cause shall be continued, and in such cases
181 the person bringing the action may petition for recovery of civil
182 penalties.

183 (c) In any action brought under this subsection, if the
184 court finds that a person is willfully violating the provisions of
185 Sections 97-33-51 through 97-33-203, the person bringing the
186 action, upon petition to the court, may recover on behalf of the
187 state a civil penalty of not exceeding Five Hundred Dollars
188 (\$500.00) per violation which shall be payable to the General Fund
189 of the State of Mississippi.

190 (d) No penalty authorized by this subsection shall be
191 deemed to limit the court's powers to insure compliance with its
192 orders, decrees and judgments, or punish for the violations
193 thereof.

194 (e) For purposes of this subsection, a willful
195 violation occurs when the party committing the violation knew or
196 should have known that his conduct was a violation of the
197 provisions of Sections 97-33-51 through 97-33-203.

198 SECTION 5. This act shall take effect and be in force from
199 and after July 1, 1999.