

By: Representatives Dedeaux, Green,
Middleton, Rushing

To: Ways and Means

HOUSE BILL NO. 963

1 AN ACT TO AMEND SECTIONS 97-33-52, 97-33-55, 97-33-65,
 2 97-33-67, 97-33-69, 97-33-71, 97-33-73, 97-33-75, 97-33-77,
 3 97-33-79, 97-33-81, 97-33-107, 97-33-109 AND 97-33-201,
 4 MISSISSIPPI CODE OF 1972, TO EXEMPT VETERANS CHARITABLE
 5 ORGANIZATIONS FROM THE STATE CHARITABLE BINGO LAW IF SUCH
 6 ORGANIZATIONS HAVE INTERNAL RULES, REGULATIONS OR GUIDELINES FOR
 7 CONDUCTING BINGO GAMES; TO AMEND SECTION 97-33-51, MISSISSIPPI
 8 CODE OF 1972, IN CONFORMITY THERETO; TO BRING FORWARD FOR PURPOSES
 9 OF AMENDMENT SECTIONS 97-33-50, 97-33-53, 97-33-57, 97-33-59,
 10 97-33-61, 97-33-101, 97-33-103, 97-33-105 AND 97-33-203,
 11 MISSISSIPPI CODE OF 1972, WHICH ARE PORTIONS OF THE STATE
 12 CHARITABLE BINGO LAW; AND FOR RELATED PURPOSES.

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

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

16 97-33-52. (1) A bingo game may be conducted only:

17 (a) When held for the benefit of a charitable
 18 organization that (i) is licensed pursuant to Section 97-33-55 or
 19 Section 97-33-59; (ii) is domiciled in the State of Mississippi;
 20 and

21 (b) When the game is held by active members of such
 22 organization.

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

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



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

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

40 (5) This section shall not apply to a charitable
41 organization described in Section 97-33-53(b)(i)1. that has
42 internal rules, regulations or guidelines for conducting bingo
43 games, and such an organization shall not be subject to regulation
44 by the commission.

45 SECTION 2. Section 97-33-55, Mississippi Code of 1972, is
46 amended as follows:

47 97-33-55. (1) Any charitable organization desiring to
48 conduct bingo games must obtain a license to do so from the
49 Mississippi Gaming Commission.

50 (2) Each applicant for such a license shall file with the
51 commission a written application therefor in a form prescribed by
52 the commission on which shall be stated:

53 (a) The name and address of the applicant, together
54 with sufficient facts relating to its incorporation and
55 organization to enable the commission to determine whether or not
56 the applicant is a bona fide organization;

57 (b) The names and addresses of its officers;

58 (c) The place or places where, and the date or dates
59 and the time or times when, bingo games are intended to be
60 conducted by the applicant, under the license applied for;

61 (d) The items of expense intended to be incurred or
62 paid in connection with the holding, operating and conducting of
63 bingo games and the names and addresses of the persons to whom,
64 and the purposes for which, they are to be paid;



65 (e) The specific purposes to which the entire net
66 proceeds of the bingo games are to be devoted and in what manner;

67 (f) That, except as otherwise provided in Section
68 97-33-69, no commission, salary, compensation, reward or
69 recompense will be paid to any person for holding, operating or
70 conducting bingo games;

71 (g) A description of all prizes to be offered and given
72 in all bingo games to be held, operated and conducted under such
73 license; and

74 (h) Such other information as shall be prescribed by
75 the commission by its rules and regulations.

76 (3) In each application there shall be designated an active
77 member or members of the organization under whom the bingo games
78 are to be held, operated and conducted. The application shall
79 include a statement executed by the applicant and by the member or
80 members so designated, that he or they will be responsible for the
81 holding, operation and conduct of the bingo games in accordance
82 with the terms of the license and the provisions of the
83 commission's rules and regulations governing bingo games and of
84 Sections 97-33-51 through 97-33-203, if such license is granted.

85 (4) An original application shall be accompanied by a fee of
86 Fifty Dollars (\$50.00). Such application fee shall be refunded by
87 the commission to an organization deemed to be an exempt
88 organization pursuant to Section 97-33-107.

89 (5) This section shall not apply to a charitable
90 organization described in Section 97-33-53(b)(i)1. that has
91 internal rules, regulations or guidelines for conducting bingo
92 games, and such an organization shall not be subject to regulation
93 by the commission.

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

96 97-33-65. The commission shall control all bingo games held,
97 operated or conducted by a licensee to assure that they are fairly



98 held, operated and conducted in accordance with the provisions of
99 the license, the commission's rules and regulations, and the
100 provisions of Sections 97-33-51 through 97-33-203. The commission
101 may suspend or revoke any license for violation of any such rule
102 and regulation or provision. Its officers and agents may enter
103 and inspect any premises where any bingo game is being held,
104 operated and conducted or is intended to be held, operated and
105 conducted, or where any equipment is being used or intended to be
106 used in the conduct thereof. This section shall not apply to a
107 charitable organization described in Section 97-33-53(b)(i)1. that
108 has internal rules, regulations or guidelines for conducting bingo
109 games, and such an organization shall not be subject to regulation
110 by the commission.

111 SECTION 4. Section 97-33-67, Mississippi Code of 1972, is
112 amended as follows:

113 97-33-67. (1) (a) No licensee shall hold, operate or
114 conduct any bingo game more often than for two (2) sessions within
115 one (1) day and more often than eight (8) sessions in any one (1)
116 week. Any licensee who holds no more than one (1) session per
117 week shall be entitled to conduct one (1) six-hour session per
118 week. Notwithstanding the provisions of this paragraph,
119 pull-tabs, video pull-tabs or video bingo games may be played for
120 up to eighty (80) hours per week.

121 (b) No licensee shall hold, operate or conduct any
122 bingo game in more than one (1) physical location. Any bingo
123 operation for which a license has been issued by the Gaming
124 Commission on or after April 1, 1995, and which is located within
125 one thousand five hundred (1,500) feet of a school or public
126 library, shall not conduct bingo sessions during the hours of the
127 school day or during library hours.

128 (2) The total amount of prizes which may be awarded in any
129 one (1) session by a licensee shall not exceed Seven Thousand Five
130 Hundred Dollars (\$7,500.00) in cash or other thing or things of



131 value, except as otherwise provided in Section 97-33-59 and except
132 that the total amount of prizes which may be awarded in any one
133 (1) session shall not exceed Eight Thousand Dollars (\$8,000.00) if
134 only one (1) session is held in any one (1) week. The Seven
135 Thousand Five Hundred Dollars (\$7,500.00) and the Eight Thousand
136 Dollars (\$8,000.00) limits do not include payback of pull-tabs or
137 electronic representations. The commission shall establish by
138 rule the method of calculating the value of anything offered as a
139 prize.

140 (3) Each licensee shall designate a supervisor and a
141 sufficient number of alternate supervisors to be in charge of and
142 primarily responsible for each session of a bingo game. Such
143 individual shall be familiar with the provisions of Sections
144 97-33-51 through 97-33-203 and the rules and regulations of the
145 commission. Such individual, or alternate who shall be designated
146 as the bingo supervisor, shall supervise all activities of such
147 session and be responsible for the conduct of all games of such
148 session. The supervisor shall be present at all times on the
149 premises during the session.

150 (4) No licensee shall purchase or otherwise obtain any
151 gaming supplies or equipment from any distributor, operator or
152 manufacturer until it has first determined that the individual
153 selling or otherwise offering such supplies or equipment has a
154 valid license issued by the commission.

155 (5) No licensee shall allow any person under eighteen (18)
156 years of age to assist in the holding, operation or conduct of any
157 bingo game. No licensee shall allow any person under eighteen
158 (18) years of age to play a bingo game unless accompanied by his
159 or her parent or legal guardian, except that a licensee may
160 prohibit all persons under eighteen (18) years from entering the
161 licensed premises by posting a written notice to that effect on
162 the premises.



163 (6) This section shall not apply to a charitable
164 organization described in Section 97-33-53(b)(i)1. that has
165 internal rules, regulations or guidelines for conducting bingo
166 games, and such an organization shall not be subject to regulation
167 by the commission.

168 SECTION 5. Section 97-33-69, Mississippi Code of 1972, is
169 amended as follows:

170 97-33-69. (1) Except as otherwise provided in subsection
171 (3) of this section, no person shall hold, operate, conduct or
172 assist in holding, operating or conducting, any bingo game under
173 any license issued pursuant to Sections 97-33-51 through 97-33-81,
174 except designated supervisors or alternate supervisors designated
175 as provided for in Section 97-33-67(3).

176 (2) Except as otherwise provided in subsection (3) of this
177 section and as may be otherwise provided pursuant to subsection
178 (10) of this section, no commission, salary, compensation, reward
179 or recompense, including but not limited to granting or use of
180 bingo cards without charge or at a reduced charge, shall be paid
181 or given directly or indirectly to the bingo supervisor or
182 alternate supervisor or any person related to such supervisor or
183 alternate supervisor by blood, marriage or business relationship,
184 for the holding, operating or conducting any licensed game or
185 games of chance.

186 (3) Except as may be otherwise provided pursuant to
187 subsection (10) of this section, any licensee may pay as
188 compensation for all persons involved in the holding, operating or
189 conducting of any licensed game or games of chance, an amount not
190 to exceed Four Hundred Dollars (\$400.00) per session. Persons who
191 may be compensated from the Four Hundred Dollars (\$400.00) per
192 session amount may include the bingo supervisor or alternate
193 supervisor, callers, runners and cashiers. Neither the bingo
194 supervisor nor any alternate supervisor, or any person related to
195 such supervisor by blood, marriage or business relationship, while



196 being compensated as the bingo supervisor, shall receive any other
197 compensation, directly or indirectly, from the licensee. No
198 employee receiving compensation for the holding, operating or
199 conducting or assisting in the holding, operating or conducting of
200 a bingo game shall receive compensation for more than one (1) job
201 function.

202 (4) (a) Any corporation, person or entity operating
203 bingo games, under contract, for the benefit of organizations as
204 prescribed in subsection (3) of this section shall be restricted
205 to operating such games for a limit of one (1) such organization
206 authorized to pay employees up to a maximum of Four Hundred
207 Dollars (\$400.00) per session. Such corporation, person or entity
208 shall only be authorized to conduct such sessions at one (1)
209 physical location or building.

210 (b) Any corporation, person or entity operating bingo
211 games, under contract, for the benefit of organizations as
212 prescribed in subsection (3) of this section shall have a written
213 contract with the organization and shall be subject to any rules
214 and regulations promulgated by the commission for the purpose of
215 investigating or regulating contracting agents.

216 (5) Except as may be otherwise provided pursuant to
217 subsection (10) of this section, no manufacturer, operator,
218 distributor, commercial lessor, or his agents or employees, who
219 directly or indirectly leases premises, sells, leases, otherwise
220 distributes gaming supplies or equipment, or furnishes any
221 commodities or services, in relation to the conducting of any
222 bingo game pursuant to Sections 97-33-51 through 97-33-203 shall
223 take part in the holding, operation or conducting of a bingo game.
224 However, nothing in this section shall prohibit the owner of a
225 premises from having a representative present to protect his
226 interests in the premises.

227 (6) Except as may be otherwise provided pursuant to
228 subsection (10) of this section, no bingo game shall be conducted



229 with any supplies or equipment except such as shall be owned by
230 the licensee, provided without payment of any compensation by the
231 licensee or purchased from a licensed manufacturer or distributor
232 of such supplies or equipment.

233 (7) Except as may be otherwise provided pursuant to
234 subsection (10) of this section, no item of expense shall be
235 incurred or paid in connection with the holding, operating or
236 conducting of any bingo game by a licensee, except:

237 (a) The actual and reasonable costs of purchasing or
238 leasing necessary supplies, equipment and materials to be used
239 exclusively in the holding, operating or conducting of the bingo
240 game; and

241 (b) The actual and reasonable costs incurred in
242 obtaining and performing necessary bookkeeping, security and
243 janitorial services for the holding, operating or conducting of
244 the bingo game. The reasonableness of the amounts of, and the
245 necessity for, an expense authorized by this subsection shall be
246 determined by the commission.

247 (8) Except as may be otherwise provided pursuant to
248 subsection (10) of this section, no licensee shall pay any
249 consulting fees to any person for any service performed in
250 relation to the conducting of any charitable game of chance or
251 concession fees to any person who provides refreshments to the
252 participants in any such games.

253 (9) Except as may be otherwise provided pursuant to
254 subsection (10) of this section, no lease providing for a rental
255 arrangement for premises or equipment shall provide for payment in
256 excess of the reasonable market rental rate for such premises or
257 equipment, and in no case shall any payment be based on a
258 percentage of gross receipts or profits derived from a bingo game.
259 Whether a market rental rate is reasonable shall be determined by
260 the commission.



261 (10) Administrative exceptions to the provisions of this
262 section with regard to organizations which have demonstrated to
263 the Mississippi Gaming Commission a practice of legitimate
264 operation of such games, may be made by the Mississippi Gaming
265 Commission pursuant to its rules and regulations, as duly adopted
266 and promulgated by the commission; provided that such an
267 administrative exception shall be no more restrictive than the
268 provision of law to which it is an exception.

269 (11) This section shall not apply to a charitable
270 organization described in Section 97-33-53(b)(i)1. that has
271 internal rules, regulations or guidelines for conducting bingo
272 games, and such an organization shall not be subject to regulation
273 by the commission.

274 SECTION 6. Section 97-33-71, Mississippi Code of 1972, is
275 amended as follows:

276 97-33-71. (1) Except as may be otherwise provided pursuant
277 to Section 97-33-107(k), the organization which held, operated or
278 conducted the bingo game, and its bingo supervisor or supervisors
279 who were in charge thereof, shall furnish to the commission the
280 following information not less than quarterly:

281 (a) A verified statement showing the amount of the
282 gross receipts derived from each bingo game, which shall include
283 receipts from the sale of shares, tickets or rights in any manner
284 connected with participation in said game;

285 (b) Each item of expense incurred or paid, and each
286 item of expenditure made or to be made;

287 (c) The name and address of each person to whom each
288 such item has been paid or is to be paid, with a detailed
289 description of the merchandise purchased or the service rendered
290 therefor;

291 (d) The net profit derived from each such bingo game
292 and the uses to which such net profit has been or is to be
293 applied;



294 (e) A list of prizes offered or given, with the
295 respective values thereof;

296 (f) The number of participants in each game.

297 (2) Each licensee shall maintain and keep such books and
298 records as may be necessary to substantiate the particulars of
299 each such report.

300 (3) All licensees shall maintain records and submit reports
301 as provided by rules of the commission. Such rules may require
302 that all income of a licensee derived from charitable bingo games
303 be recorded to the extent necessary to disclose gross and net
304 income.

305 (4) This section shall not apply to a charitable
306 organization described in Section 97-33-53(b)(i)1. that has
307 internal rules, regulations or guidelines for conducting bingo
308 games, and such an organization shall not be subject to regulation
309 by the commission.

310 SECTION 7. Section 97-33-73, Mississippi Code of 1972, is
311 amended as follows:

312 97-33-73. (1) The Mississippi Gaming Commission shall have
313 power to examine or to cause to be examined the books and records
314 of any organization to which such license is issued so far as they
315 may relate to any transactions connected with the holding and
316 conducting of bingo and to examine any manager, officer, director,
317 agent, member or employee thereof under oath in relation to the
318 conduct of any such game, but any information so received shall
319 not be disclosed except so far as may be necessary for the purpose
320 of carrying out the provisions of Sections 97-33-51 through
321 97-33-203.

322 (2) The State Tax Commission shall have the power to examine
323 or to cause to be examined the books and records of any
324 organization to which a license is issued for the purpose of
325 determining compliance with the Charitable Bingo Law and any other



326 laws and regulations and to conduct in-depth audits and
327 investigation of the licensee.

328 (3) This section shall not apply to a charitable
329 organization described in Section 97-33-53(b)(i)1. that has
330 internal rules, regulations or guidelines for conducting bingo
331 games, and such an organization shall not be subject to regulation
332 by the commission.

333 SECTION 8. Section 97-33-75, Mississippi Code of 1972, is
334 amended as follows:

335 97-33-75. (1) Any person, association or corporation
336 violating any provision of Sections 97-33-51 through 97-33-203 or
337 any rule or regulation of the commission shall be subject to a
338 fine imposed by the commission and to suspension or revocation of
339 its license.

340 (2) Any person who commits any of the following acts, upon
341 conviction, shall be fined not more than Five Thousand Dollars
342 (\$5,000.00) or imprisoned for one (1) year, or both:

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

346 (b) Holding, operating or conducting any bingo game
347 without a license;

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

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

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



357 (f) Possessing, displaying, selling or otherwise
358 furnishing to any person any pull-tabs, except as provided for in
359 Section 97-33-77.

360 (3) Any person who violates any other provision of Sections
361 97-33-51 through 97-33-203 that is not listed in this section may
362 be imprisoned for not more than six (6) months or fined not more
363 than Five Hundred Dollars (\$500.00), or both.

364 (4) Any conviction of any person pursuant to subsections (2)
365 and (3) of this section shall constitute cause for revocation of
366 the license of such person or the organization with which such
367 person is affiliated.

368 (5) This section shall not apply to a charitable
369 organization described in Section 97-33-53(b)(i)1. that has
370 internal rules, regulations or guidelines for conducting bingo
371 games, and such an organization shall not be subject to regulation
372 by the commission.

373 SECTION 9. Section 97-33-77, Mississippi Code of 1972, is
374 amended as follows:

375 97-33-77. (1) No organization, distributor, manufacturer,
376 or any representative thereof, either with knowledge or in
377 circumstances whereunder he reasonably should have known, shall
378 possess, display, put out for play, sell or otherwise furnish to
379 any person any pull-tabs:

380 (a) In which the winning pull-tabs have not been
381 completely and randomly distributed and mixed among all other
382 pull-tabs in the deal;

383 (b) In which the location or approximate location of
384 any of the winning pull-tabs can be determined in advance of
385 opening the pull-tabs in any manner or by any device, including
386 but not limited to any pattern in the manufacture, assembly, or
387 packaging of pull-tabs by the manufacturer, by any markings on the
388 pull-tabs or container, or by the hue of a light; or



389 (c) Which does not conform in any respect to these
390 requirements as to manufacturer, assembly or packaging.

391 (2) A distributor shall not purchase or be furnished any
392 pull-tabs from a manufacturer of pull-tabs unless all of the
393 following conditions are met:

394 (a) The manufacturer's label or trademark has been
395 registered with the Mississippi Gaming Commission.

396 (b) Each individual pull-tab manufactured has
397 conspicuously set forth on it the name of the manufacturer or a
398 label or trademark which identifies its manufacturer.

399 (c) The pull-tab is of a type approved by the
400 commission for use in Mississippi.

401 (3) This section shall not apply to a charitable
402 organization described in Section 97-33-53(b)(i)1. that has
403 internal rules, regulations or guidelines for conducting bingo
404 games, and such an organization shall not be subject to regulation
405 by the commission.

406 SECTION 10. Section 97-33-79, Mississippi Code of 1972, is
407 amended as follows:

408 97-33-79. (1) No person or other entity shall fabricate,
409 concoct or manufacture any supplies or equipment for use in the
410 conducting of any bingo game authorized under Sections 97-33-51
411 through 97-33-203, including but not limited to bingo equipment,
412 pull-tabs, or electronic representations, within this state or for
413 use within this state without having obtained a manufacturer's
414 license from the commission.

415 (2) No person or other entity shall sell, offer for sale, or
416 otherwise furnish any other person any supplies or equipment of
417 use in the conduct of any bingo game authorized under Sections
418 97-33-51 through 97-33-203, including but not limited to bingo
419 equipment and pull-tabs without having obtained a distributor's or
420 operator's license from the commission.



421 (3) No person licensed as a manufacturer, distributor or
422 operator shall sell or otherwise make available any such gaming
423 supplies or equipment to any individual unless he has first
424 determined that the individual is a licensed distributor or is
425 acting as an agent of an organization which has a valid license
426 issued by the commission.

427 (4) No manufacturer, distributor or operator of gaming
428 supplies or equipment shall directly or indirectly give gifts,
429 trips, prizes, premiums or other such gratuities to any charitable
430 gaming organization, its employees, or commercial lessors.

431 (5) Each manufacturer, distributor or operator of gaming
432 supplies or equipment shall maintain records and submit reports as
433 required by rules of the commission. The rules may require
434 maintenance of purchase and sale invoices of all gaming supplies
435 and equipment manufactured or distributed, whether by sale, lease,
436 rental, loan or donation, to any charitable gaming organization.

437 (6) This section shall not apply to a charitable
438 organization described in Section 97-33-53(b)(i)1. that has
439 internal rules, regulations or guidelines for conducting bingo
440 games, and such an organization shall not be subject to regulation
441 by the commission.

442 SECTION 11. Section 97-33-81, Mississippi Code of 1972, is
443 amended as follows:

444 97-33-81. (1) No organization which conducts charitable
445 bingo games shall be a manufacturer, distributor or operator of
446 supplies or equipment for such games.

447 (2) No officer, director or manager of an organization which
448 conducts charitable bingo games shall:

449 (a) Have a direct or indirect financial interest in any
450 entity which manufactures or distributes supplies or equipment for
451 charitable bingo games;



452 (b) Serve as an officer, director, shareholder,
453 proprietor or employee of an entity which manufactures or
454 distributes supplies or equipment for charitable bingo games; or

455 (c) Serve as an officer, director, shareholder,
456 proprietor or employee of a commercial lessor who leases
457 buildings, structures or premises to organizations licensed under
458 the provisions of Sections 97-33-51 through 97-33-203.

459 (3) No entity which manufactures or distributes supplies or
460 equipment for charitable bingo games of chance; no officer,
461 director, shareholder, proprietor or employee of such entity; and
462 no person having a direct or indirect financial interest in such
463 an entity shall lease premises, directly or indirectly, to an
464 organization for purposes of conducting charitable bingo games of
465 chance.

466 (4) No entity or person described in subsections (1), (2) or
467 (3) of this section shall serve as a commercial lessor.

468 (5) This section shall not apply to a charitable
469 organization described in Section 97-33-53(b)(i)1. that has
470 internal rules, regulations or guidelines for conducting bingo
471 games, and such an organization shall not be subject to regulation
472 by the commission.

473 SECTION 12. Section 97-33-107, Mississippi Code of 1972, is
474 amended as follows:

475 97-33-107. In connection with its regulation of charitable
476 bingo games, the commission shall have the following functions,
477 duties and responsibilities:

478 (a) To issue and renew annual state licenses required
479 by law for organizations conducting bingo games and for
480 manufacturers, distributors or operators of supplies or equipment
481 for such games;

482 (b) To assess and collect fees not to exceed two and
483 one-half percent (2-1/2%) of the net proceeds of pull-tabs,
484 electronic bingo machines and electronic pull-tab machines, which



485 fees shall be limited to the amounts necessary to administer the
486 Charitable Bingo Law;

487 (c) To assess and collect fees equal to one percent
488 (1%) of the gross proceeds of each bingo session conducted by a
489 Class "A" charitable organization and equal to one-half (1/2) of
490 one percent (1%) of the gross proceeds of each bingo session
491 conducted by a Class "B" or a Class "C" charitable organization;
492 provided, however, that the fees assessed and collected under this
493 subsection (c) shall not apply to pull-tabs, electronic bingo
494 machines or electronic pull-tab machines as described in
495 subsection (b) above; and provided, that the fees shall not be
496 collected in any bingo session held by a religious organization
497 which has been in existence for ten (10) years or longer, held on
498 the premises owned by the religious organization, and held without
499 any person being compensated for operating the game, and until the
500 gross proceeds of bingo games conducted by such organization
501 exceed Fifty Thousand Dollars (\$50,000.00) during the calendar
502 year;

503 (d) To deny applications for licensure or license
504 renewal and to issue orders for suspension or revocation of
505 licenses issued pursuant to Sections 97-33-51 through 97-33-203;

506 (e) To monitor licensees to ensure compliance with all
507 provisions of law and regulations relative to charitable bingo
508 games through routine scheduled and unscheduled inspections,
509 investigations and audits;

510 (f) To enforce all provisions of law and regulations
511 relative to charitable bingo games and to assist local law
512 enforcement agencies in these enforcement responsibilities and
513 bingo enforcement agents shall have the powers of a peace officer;

514 (g) To establish and assess penalties for violations of
515 regulations relative to charitable bingo games;



516 (h) To familiarize the members of organizations which
517 conduct charitable bingo games of chance, with provisions of the
518 Charitable Bingo Law and other applicable laws and regulations;

519 (i) To adopt rules and regulations to provide for the
520 sale or transfer of surplus supplies or equipment from one
521 licensed organization to another and such other rules and
522 regulations as are necessary to carry out the purposes and
523 functions of Sections 97-33-51 through 97-33-203, including the
524 adoption of rules and regulations pursuant to Section 97-33-69(10)
525 which may provide for differing requirements, with regard to the
526 number of participants, sessions, amount of prizes offered,
527 proceeds received or other factors which affect the regulatory and
528 administrative burdens on organizations operating charitable bingo
529 games, for a certain class of organizations, provided that such
530 rules and regulations shall be no more restrictive than the
531 provisions of law that govern such factors;

532 (j) To prescribe rules and regulations creating a class
533 of organizations that are exempt from the purchase of reprinted
534 tickets as provided for in paragraph (c) of this section based on
535 the number of participants or the amount of prizes offered or
536 other factors which affect the regulatory and administrative
537 burdens on the organizations imposed by the commission; and

538 (k) To establish the classes described in this
539 paragraph of charitable organizations that are licensed to conduct
540 bingo games and to prescribe rules and regulations to provide for
541 differing reporting requirements imposed upon each different
542 class; provided that such rules and regulations shall be no more
543 restrictive than the provisions of law that relate to reporting
544 requirements. Such classes of organizations are as follows:

545 (i) Class "A" shall be composed of licensed
546 charitable organizations which conduct bingo games in which the
547 prizes awarded total an aggregate amount in excess of Five
548 Thousand Dollars (\$5,000.00) per session;



549 (ii) Class "B" shall be composed of licensed
550 charitable organizations which conduct bingo games in which the
551 prizes awarded total an aggregate amount of not less than Two
552 Thousand Five Hundred Dollars (\$2,500.00) and not more than Five
553 Thousand Dollars (\$5,000.00);

554 (iii) Class "C" shall be composed of licensed
555 charitable organizations which conduct bingo games in which the
556 prizes awarded total an aggregate amount of less than Two Thousand
557 Five Hundred Dollars (\$2,500.00).

558 This section shall not apply to a charitable organization
559 described in Section 97-33-53(b)(i)1. that has internal rules,
560 regulations or guidelines for conducting bingo games, and such an
561 organization shall not be subject to regulation by the commission.

562 SECTION 13. Section 97-33-109, Mississippi Code of 1972, is
563 amended as follows:

564 97-33-109. (1) The commission shall monitor the conduct or
565 business of licensees, both on a routine scheduled and an
566 unscheduled basis, to the extent necessary to ensure compliance
567 with the provisions of charitable bingo game laws and regulations
568 of the state.

569 (2) In carrying out its enforcement responsibilities, the
570 commission may:

571 (a) Inspect and examine all premises in which
572 charitable bingo games are conducted or supplies or equipment for
573 such games are manufactured and distributed;

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

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

579 (d) Demand access to and audit and inspect books and
580 records of licensees for the purpose of determining compliance
581 with laws and regulations relative to charitable bingo games;



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

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

586 (3) The commission shall require licensees to maintain
587 records and submit reports.

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

593 (5) All departments, commissions, boards, agencies, officers
594 and institutions of the state, and all subdivisions thereof, shall
595 cooperate with the commission in carrying out its enforcement
596 responsibilities.

597 (6) The Attorney General shall be the attorney for the
598 commission in regard to its duties to regulate the Charitable
599 Bingo Law and he shall represent it in all legal proceedings and
600 shall prosecute any civil action for a violation of the provisions
601 of Sections 97-33-51 through 97-33-203 or the rules and
602 regulations of the commission.

603 (7) It is the duty of the sheriffs, deputy sheriffs and
604 police officers of this state to assist the commission in the
605 enforcement of the provisions of Sections 97-33-51 through
606 97-33-203 and to arrest and complain against any person violating
607 the provisions of Sections 97-33-51 through 97-33-203. It is the
608 duty of the district attorneys of this state to prosecute all
609 violations of the provisions of Sections 97-33-51 through
610 97-33-203 if requested to do so by the commission.

611 (8) (a) Whenever any person who is a resident of the State
612 of Mississippi has reason to believe that a person or organization
613 is or has violated the provisions of Sections 97-33-51 through
614 97-33-203 and that proceedings would be in the public interest, he



615 may bring an action in the name of the state against such person
616 to restrain by temporary or permanent injunction such violation,
617 upon at least five (5) days' summons before the hearing of the
618 action. The action shall be brought in the chancery or county
619 court of the county in which such violation has occurred or, with
620 consent of the parties, may be brought in the chancery or county
621 court of the county in which the State Capitol is located. The
622 said courts are authorized to issue temporary or permanent
623 injunctions to restrain and prevent violations of Sections
624 97-33-51 through 97-33-203, and such injunctions shall be issued
625 without bond.

626 (b) Any person who violates the terms of an injunction
627 issued under this subsection shall forfeit and pay to the state a
628 civil penalty of not more than Five Thousand Dollars (\$5,000.00)
629 per violation which shall be payable to the General Fund of the
630 State of Mississippi. For the purposes of this subsection, the
631 chancery or county court issuing an injunction shall retain
632 jurisdiction, and the cause shall be continued, and in such cases
633 the person bringing the action may petition for recovery of civil
634 penalties.

635 (c) In any action brought under this subsection, if the
636 court finds that a person is willfully violating the provisions of
637 Sections 97-33-51 through 97-33-203, the person bringing the
638 action, upon petition to the court, may recover on behalf of the
639 state a civil penalty of not exceeding Five Hundred Dollars
640 (\$500.00) per violation which shall be payable to the General Fund
641 of the State of Mississippi.

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

646 (e) For purposes of this subsection, a willful
647 violation occurs when the party committing the violation knew or



648 should have known that his conduct was a violation of the
649 provisions of Sections 97-33-51 through 97-33-203.

650 (9) This section shall not apply to a charitable
651 organization described in Section 97-33-53(b)(i)1. that has
652 internal rules, regulations or guidelines for conducting bingo
653 games, and such an organization shall not be subject to regulation
654 by the commission.

655 SECTION 14. Section 97-33-201, Mississippi Code of 1972, is
656 amended as follows:

657 97-33-201. (1) (a) Any organization or person seeking
658 licensure as a manufacturer, distributor or operator of bingo
659 gaming supplies or equipment, shall submit an application to the
660 commission on forms provided for such purposes. Such application
661 shall contain such information as may be reasonably required by
662 rules of the commission. The application shall be accompanied by
663 a fee as established by the commission.

664 (b) The commission shall investigate all applications
665 for licensure and, in addition to the information required on the
666 application, may require the applicant to furnish such additional
667 information as it deems necessary.

668 (2) The commission shall not issue a license under this
669 section to:

670 (a) Any person who has been convicted of certain
671 related offenses as established by the commission or who presently
672 has such a charge pending in any state or federal court;

673 (b) Any person who has ever been convicted of a
674 gambling-related offense in any state or federal court;

675 (c) Any person who is or has ever been a professional
676 gambler;

677 (d) Any firm, organization or corporation in which any
678 person as described in paragraphs (a) through (c) of this
679 subsection is an officer or director, whether compensated or not,



680 or in which such person has a direct or indirect financial
681 interest;

682 (e) Any person, firm, organization, entity or
683 corporation which has a direct or indirect financial interest in a
684 licensed charity.

685 (3) The commission may deny an application for licensure,
686 refuse to renew a license, or suspend or revoke a license for any
687 reason consistent with the purposes of Sections 97-33-201 and
688 97-33-203 which it deems to be in the interest of the public.
689 However, policies regarding such denial, suspension, revocation or
690 refusal to renew shall be established by rule and regulation.

691 (4) Any significant change in the information submitted on
692 its application for licensure shall be filed by a licensee with
693 the commission within ten (10) days of the change. A significant
694 change shall include but not be limited to any change in the
695 officers, directors, managers, proprietors or persons having a
696 direct or indirect financial interest in any licensed organization
697 or entity.

698 (5) This section shall not apply to a charitable
699 organization described in Section 97-33-53(b)(i)1. that has
700 internal rules, regulations or guidelines for conducting bingo
701 games, and such an organization shall not be subject to regulation
702 by the commission.

703 SECTION 15. Section 97-33-51, Mississippi Code of 1972, is
704 amended as follows:

705 97-33-51. (1) The provisions of Sections 97-33-1 through
706 97-33-49 shall not apply to any raffle wherein a ticket is sold
707 and a prize is offered when such raffle is being held by and for
708 the benefit of any nonprofit civic, educational, wildlife
709 conservation or religious organization with all proceeds going to
710 said organization.

711 (2) The provisions of Sections 97-33-1 through 97-33-49
712 shall not apply to any bingo game wherein a prize is offered when



713 such bingo game is being held in accordance with the provisions of
714 the Charitable Bingo Law. Sections 97-33-1 through 97-33-49 shall
715 not apply to any bingo game wherein a prize is offered when such
716 bingo game is being held by a charitable organization described in
717 Section 97-33-53(b)(i)1. that has internal rules, regulations or
718 guidelines for conducting bingo games.

719 (3) A bingo game or a raffle held pursuant to the provisions
720 of the Charitable Bingo Law shall not be considered a game or
721 gambling game for the purposes of Section 75-76-1 et seq. A bingo
722 game or raffle held by a charitable organization described in
723 Section 97-33-53(b)(i)1. that has internal rules, regulations or
724 guidelines for conducting bingo games shall not be considered a
725 game or gambling game for the purposes of Section 75-76-1 et seq.

726 SECTION 16. Section 97-33-50, Mississippi Code of 1972, is
727 brought forward as follows:

728 97-33-50. The provisions of Sections 97-33-51 through
729 97-33-81, 97-33-101 through 97-33-109, 97-33-201 and 97-33-203,
730 Mississippi Code of 1972, may be cited as the "Charitable Bingo
731 Law."

732 SECTION 17. Section 97-33-53, Mississippi Code of 1972, is
733 brought forward as follows:

734 97-33-53. As used in Sections 97-33-51 through 97-33-203,
735 the following words and phrases shall have the meanings ascribed
736 herein unless the context clearly indicates otherwise:

737 (a) "Bingo" means a game of chance in which a right to
738 participate is sold to a player and prizes are awarded, that is:

739 (i) Played with a card, sheet, or an electronic
740 representation thereof, bearing numbers or symbols;

741 (ii) Played with the participant covering, marking
742 or revealing the numbers or symbols, as objects similarly numbered
743 or designated are drawn from a receptacle and orally called; in
744 the case of electronic representations, the requisite covering,
745 marking or revealing may be accomplished electronically to match



746 objects similarly numbered or designated and stored in memory in
747 advance as winners, or which are generated randomly by an
748 electronic process;

749 (iii) Won by the player who first covers, marks or
750 reveals a previously designated arrangement of numbers or symbols;
751 and

752 (iv) Played on the premises of a licensed
753 organization and during the organization's regular hours of
754 conducting bingo games.

755 The term "bingo" includes pull-tabs made available as a
756 companion game to bingo and played on the premises. The term
757 "bingo" does not include any game which is played via television,
758 telephone, satellite dish or any other telecommunications
759 transmission or receiving device.

760 Any electronic device used to produce an electronic
761 representation must maintain an inventory recorded in computed
762 memory, not on cartridge memory, of the number of winners and
763 losers. It must also be equipped with tamper-proof electric
764 meters as a backup to the computer memory. It may not dispense
765 cash or coins. Paybacks will be dispensed by printed ticket only.
766 The printer shall maintain duplicate records of all transactions.
767 All such electronic devices shall be approved by the Mississippi
768 Gaming Commission.

769 (b) "Charitable organization" means:

770 (i) Any nonprofit organization domiciled in this
771 state that is tax exempt under Section 501(c) or (d) of the United
772 States Internal Revenue Code and which has on file with the
773 Mississippi Gaming Commission either a tax exemption letter issued
774 by the United States Internal Revenue Service, or a certified copy
775 of its application for such tax exempt status if the commission
776 determines that the organization is likely to be granted the tax
777 exempt status, and is:



778 1. Any chapter or post domiciled in this
779 state of a nationally chartered organization whose membership is
780 composed of former members of the military forces of the United
781 States of America or whose membership is composed of members of
782 the Merchant Marine Veterans Association; or

783 2. Any nonprofit civic, educational, wildlife
784 conservation organization or religious organization domiciled in
785 this state.

786 If an organization which has on file with the commission a
787 certified copy of its application for a tax exemption under
788 Section 501(c) or (d) of the U. S. Internal Revenue Code is not
789 granted the exemption within twelve (12) months from the date of
790 such application, the organization's license shall be subject to
791 revocation pursuant to Section 97-33-61.

792 (ii) Any senior citizen recreation club, which is
793 defined as an organization sanctioned by the local council on
794 aging and composed of members aged sixty (60) years or older, the
795 sole function of which is to provide amusement and diversion for
796 its members.

797 (c) "Commission" means the Mississippi Gaming
798 Commission.

799 (d) "Distributor" means any person or other entity who
800 sells, offers for sale or otherwise furnishes to any person,
801 gaming supplies or equipment for use in the conducting of a bingo
802 game authorized by Sections 97-33-51 through 97-33-203.

803 (e) "Manufacturer" means any person or other entity who
804 manufactures for sale, offers for sale, or otherwise furnishes,
805 any gaming supplies or equipment for use in the conducting of a
806 bingo game authorized by Sections 97-33-51 through 97-33-203.

807 (f) "Commercial lessor" means any person or other
808 entity, other than a bona fide nonprofit organization licensed to
809 conduct charitable bingo games, who leases any building, structure



810 or premises to organizations licensed under the provisions of
811 Sections 97-33-51 through 97-33-203.

812 (g) "Operator" means a person or other entity who
813 supplies the charity an electronic facsimile pull-tab device or
814 labor saving device as described in Section 97-33-53. This person
815 or entity may not be engaged in any other form of bingo operations
816 such as a distributor, manufacturer, charity or commercial lessor.

817 (h) "Pull-tabs" means single or banded tickets or cards
818 each with its face covered to conceal one or more numbers or
819 symbols, where one or more cards or tickets in each set have been
820 designed in advance as winners. "Pull-tabs" shall also mean any
821 device for dispensing pull-tabs.

822 (i) "Session" means any five-hour time period within
823 one (1) day or six-hour time period within one (1) week.

824 (j) "Day" means the whole or any part of the time
825 period of twenty-four (24) hours from midnight to midnight.

826 (k) "Week" means the seven-day period from 12:01 a.m.
827 on Monday until midnight the following Sunday.

828 SECTION 18. Section 97-33-57, Mississippi Code of 1972, is
829 brought forward as follows:

830 97-33-57. (1) The commission shall investigate the
831 qualifications of each applicant and the merits of the
832 application, with due expedition after the filing of the
833 application, and shall make the following determinations:

834 (a) That the applicant is duly qualified to hold,
835 operate and conduct bingo games under the provisions of Sections
836 97-33-51 through 97-33-203 and the rules and regulations of the
837 commission governing same.

838 (b) That the member or members of the organization
839 designated in the application to hold, operate, conduct, or assist
840 in holding, operating, or conducting, the bingo games are bona
841 fide active members of the organization and of good moral



842 character, who have never been convicted of certain offenses as
843 designated by the commission.

844 (c) That bingo games are to be held, operated and
845 conducted in accordance with the provisions of Sections 97-33-51
846 through 97-33-203 and in accordance with the rules and regulations
847 of the commission governing same, and that the proceeds thereof
848 are to be disposed of as provided by Sections 97-33-51 through
849 97-33-203.

850 (2) If the commission is satisfied that no commission,
851 salary, compensation, reward or recompense whatever, except as
852 otherwise provided in Section 97-33-69, will be paid or given to
853 any person holding, operating or conducting any bingo game, it may
854 issue a license to the applicant for the holding, operating and
855 conducting of bingo games.

856 (3) No license for holding, operating or conducting bingo
857 games that is issued under Sections 97-33-51 through 97-33-203
858 shall be effective for more than one (1) calendar year.

859 (4) The commission shall not issue a license to:

860 (a) Any person who has been convicted of certain
861 related offenses as established by the commission or who presently
862 has such a charge pending in any state or federal court;

863 (b) Any person who has ever been convicted of a
864 gambling-related offense in any state or federal court;

865 (c) Any person who is or has ever been a professional
866 gambler;

867 (d) Any firm, organization or corporation in which any
868 person as described in paragraphs (a) through (c) is an officer or
869 director, whether compensated or not, or in which such person has
870 a direct or indirect financial interest;

871 (e) The commission may deny an application for
872 licensure, refuse to renew a license, or suspend or revoke a
873 license for any reason consistent with the purposes of Sections
874 97-33-51 through 97-33-203 which it deems to be in the interest of



875 the public. However, policies regarding such denial, suspension,
876 revocation or refusal to renew shall be established by rule and
877 regulation. If the commission fails to act upon the license
878 application within sixty (60) days of the date of filing of the
879 application by the charitable organization, such application shall
880 be deemed accepted.

881 (5) Any significant change in the information submitted on
882 its application for licensure shall be filed by a licensee with
883 the commission within ten (10) days of the change. A significant
884 change shall include but not be limited to any change in the
885 officers, directors, managers, proprietors or persons having a
886 direct or indirect financial interest in any licensed organization
887 or entity.

888 SECTION 19. Section 97-33-59, Mississippi Code of 1972, is
889 brought forward as follows:

890 97-33-59. (1) The commission may issue a special license
891 for the conducting of limited fund-raising bingo games for the
892 benefit of a person, family or group of persons who, because of
893 circumstances which cause a financial crisis of an emergency
894 nature, are in need of immediate fund-raising relief. Bingo games
895 conducted under this section shall consist of no more than two (2)
896 bingo sessions annually by the same person, family or group of
897 persons, at which the total amount of prizes which may be awarded
898 on any calendar day under such a license shall not exceed Fifteen
899 Thousand Dollars (\$15,000.00) in cash or other thing or things of
900 value. Except as otherwise provided in this section or as may be
901 otherwise provided by Section 97-33-69(10) or 97-33-107(k), all
902 other provisions of Sections 97-33-51 through 97-33-203 shall
903 apply to the issuance of such special licenses.

904 (2) The commission shall not authorize any organization to
905 conduct limited bingo games as described in subsection (1) as
906 provided herein unless that organization has first obtained a
907 special charitable limited license from the commission.



908 (3) All proceeds derived from bingo games conducted under a
909 special charitable limited license shall go to the specific need
910 for which the games are conducted, as outlined in the application
911 for such license.

912 (4) The fee for a special charitable limited license shall
913 be limited to the actual administrative costs of issuing it.

914 SECTION 20. Section 97-33-61, Mississippi Code of 1972, is
915 brought forward as follows:

916 97-33-61. No license shall be revoked by the commission
917 until after a hearing is held on due notice. The commission may
918 designate a hearing examiner to hear the case and render a
919 decision. A licensee aggrieved by the decision of the hearing
920 examiner may apply within fifteen (15) days after announcement of
921 the decision in writing to the commission for review of the
922 decision. Review is limited to the record of proceedings before
923 the hearing examiner. The commission may sustain or reverse the
924 hearing examiner's decision.

925 Any person aggrieved by the final decision of the commission
926 may obtain a judicial review thereof in the circuit court of the
927 county in which the bingo games are conducted. The judicial
928 review must be instituted by filing a petition within ten (10)
929 days after the decision is rendered.

930 SECTION 21. Section 97-33-101, Mississippi Code of 1972, is
931 brought forward as follows:

932 97-33-101. All fees and fines collected by the commission
933 pursuant to Sections 97-33-51 through 97-33-203 shall be deposited
934 into a special fund to be known as the "Charitable Bingo Fund,"
935 which is hereby created in the State Treasury. The monies in such
936 fund shall be used exclusively to support the activities of the
937 commission related to the regulation of the Charitable Bingo Law,
938 upon appropriation by the Legislature. Unexpended amounts
939 remaining in the fund at the end of a fiscal year shall not lapse
940 into the State General Fund, and any interest earned on amounts in



941 such special fund shall be deposited to the credit of the special
942 fund.

943 SECTION 22. Section 97-33-103, Mississippi Code of 1972, is
944 brought forward as follows:

945 97-33-103. (1) The commission shall annually prepare and
946 submit a comprehensive report on the scope and nature of
947 charitable bingo game activities in this state and impact of the
948 commission on such activities. The report shall be submitted to
949 the Lieutenant Governor, the Speaker of the House of
950 Representatives, the Chairmen of the House and Senate Judiciary
951 Committees, the Chairman of the House Ways and Means Committee and
952 the Chairman of the Senate Finance Committee.

953 (2) The commission shall furnish a copy of its rules and
954 regulations, including any amendments thereto as they are adopted,
955 pursuant to the Charitable Bingo Law, to the Chairman and Counsel
956 of the House Ways and Means Committee and the Chairman and Counsel
957 of the Senate Finance Committee. Further, upon a written request
958 from any member of the Legislature, the commission shall furnish
959 such rules and regulations to the member, by return United States
960 mail.

961 SECTION 23. Section 97-33-105, Mississippi Code of 1972, is
962 brought forward as follows:

963 97-33-105. Neither the director nor any employee of the
964 commission shall be an officer, director or manager of any
965 organization licensed by the state to conduct charitable bingo
966 games or have a direct or indirect financial interest in any
967 entity manufacturing or distributing supplies or equipment used in
968 such games.

969 SECTION 24. Section 97-33-203, Mississippi Code of 1972, is
970 brought forward as follows:

971 97-33-203. (1) No lease of any premises by a commercial
972 lessor to any charitable organization for a charitable bingo game
973 shall provide for payment in excess of the reasonable market



974 rental rate for such premises. The commission shall determine
975 whether a market rental rate for such premises is reasonable. No
976 lease shall provide for rental for less than a five-hour session.
977 No more than two (2) sessions shall be conducted within one (1)
978 day and more often than eight (8) sessions in any one (1) week on
979 the premises of a commercial lessor. Any licensee who holds no
980 more than one (1) session per week shall be entitled to conduct
981 one (1) six-hour session per week.

982 (2) No commercial lessor shall require the payment of any
983 other cost or fee from an organization licensed to hold, operate
984 or conduct bingo games other than the rental amount provided for
985 by the rental agreement or contract or charge admission fees to
986 persons entering the premises to participate in the games.

987 (3) No commercial lessor leasing premises for authorized
988 charitable bingo game activities shall enter into any agreement
989 with a distributor of gaming supplies for the use, purchase,
990 promotion or sale of supplies to be used in such bingo games.

991 SECTION 25. This act shall take effect and be in force from
992 and after July 1, 2001.

