

By: Senator(s) Posey

To: Finance

SENATE BILL NO. 2997

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; AND FOR RELATED PURPOSES.

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

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

12 97-33-52. (1) A bingo game may be conducted only:

13 (a) When held for the benefit of a charitable
 14 organization that (i) is licensed pursuant to Section 97-33-55 or
 15 Section 97-33-59; (ii) is domiciled in the State of Mississippi;
 16 and

17 (b) When the game is held by active members of such
 18 organization.

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

26 (3) None of the proceeds of a bingo game authorized to be
 27 held under this section shall be used to purchase, construct or
 28 improve a building, hall or other facility solely for the purpose
 29 of conducting or operating a bingo game.

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

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

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

43 97-33-55. (1) Any charitable organization desiring to
44 conduct bingo games must obtain a license to do so from the
45 Mississippi Gaming Commission.

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

49 (a) The name and address of the applicant, together
50 with sufficient facts relating to its incorporation and
51 organization to enable the commission to determine whether or not
52 the applicant is a bona fide organization;

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

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

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

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

63 (f) That, except as otherwise provided in Section
64 97-33-69, no commission, salary, compensation, reward or
65 recompense will be paid to any person for holding, operating or
66 conducting bingo games;

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

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

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

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

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

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

92 97-33-65. The commission shall control all bingo games held,
93 operated or conducted by a licensee to assure that they are fairly
94 held, operated and conducted in accordance with the provisions of
95 the license, the commission's rules and regulations, and the

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

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

109 97-33-67. (1) (a) No licensee shall hold, operate or
110 conduct any bingo game more often than for two (2) sessions within
111 one (1) day and more often than eight (8) sessions in any one (1)
112 week. Any licensee who holds no more than one (1) session per
113 week shall be entitled to conduct one (1) six-hour session per
114 week. Notwithstanding the provisions of this paragraph,
115 pull-tabs, video pull-tabs or video bingo games may be played for
116 up to eighty (80) hours per week.

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

124 (2) The total amount of prizes which may be awarded in any
125 one (1) session by a licensee shall not exceed Seven Thousand Five
126 Hundred Dollars (\$7,500.00) in cash or other thing or things of
127 value, except as otherwise provided in Section 97-33-59 and except
128 that the total amount of prizes which may be awarded in any one

129 (1) session shall not exceed Eight Thousand Dollars (\$8,000.00) if
130 only one (1) session is held in any one (1) week. The Seven
131 Thousand Five Hundred Dollars (\$7,500.00) and the Eight Thousand
132 Dollars (\$8,000.00) limits do not include payback of pull-tabs or
133 electronic representations. The commission shall establish by
134 rule the method of calculating the value of anything offered as a
135 prize.

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

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

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

159 (6) This section shall not apply to a charitable
160 organization described in Section 97-33-53(b)(i)1 that has
161 internal rules, regulations or guidelines for conducting bingo

162 games, and such an organization shall not be subject to regulation
163 by the commission.

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

166 97-33-69. (1) Except as otherwise provided in subsection
167 (3) of this section, no person shall hold, operate, conduct or
168 assist in holding, operating or conducting any bingo game under
169 any license issued pursuant to Sections 97-33-51 through 97-33-81,
170 except designated supervisors or alternate supervisors designated
171 as provided for in Section 97-33-67(3).

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

182 (3) Except as may be otherwise provided pursuant to
183 subsection (10) of this section, any licensee may pay as
184 compensation for all persons involved in the holding, operating or
185 conducting of any licensed game or games of chance, an amount not
186 to exceed Four Hundred Dollars (\$400.00) per session. Persons who
187 may be compensated from the Four Hundred Dollars (\$400.00) per
188 session amount may include the bingo supervisor or alternate
189 supervisor, callers, runners and cashiers. Neither the bingo
190 supervisor nor any alternate supervisor, or any person related to
191 such supervisor by blood, marriage or business relationship, while
192 being compensated as the bingo supervisor, shall receive any other
193 compensation, directly or indirectly, from the licensee. No
194 employee receiving compensation for the holding, operating or

195 conducting or assisting in the holding, operating or conducting of
196 a bingo game shall receive compensation for more than one (1) job
197 function.

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

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

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

223 (6) Except as may be otherwise provided pursuant to
224 subsection (10) of this section, no bingo game shall be conducted
225 with any supplies or equipment except such as shall be owned by
226 the licensee, provided without payment of any compensation by the

227 licensee or purchased from a licensed manufacturer or distributor
228 of such supplies or equipment.

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

233 (a) The actual and reasonable costs of purchasing or
234 leasing necessary supplies, equipment and materials to be used
235 exclusively in the holding, operating or conducting of the bingo
236 game; and

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

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

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

257 (10) Administrative exceptions to the provisions of this
258 section with regard to organizations which have demonstrated to
259 the Mississippi Gaming Commission a practice of legitimate

260 operation of such games, may be made by the Mississippi Gaming
261 Commission pursuant to its rules and regulations, as duly adopted
262 and promulgated by the commission; provided that such an
263 administrative exception shall be no more restrictive than the
264 provision of law to which it is an exception.

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

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

272 97-33-71. (1) Except as may be otherwise provided pursuant
273 to Section 97-33-107(k), the organization which held, operated or
274 conducted the bingo game, and its bingo supervisor or supervisors
275 who were in charge thereof, shall furnish to the commission the
276 following information not less than quarterly:

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

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

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

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

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

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

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

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

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

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

308 97-33-73. (1) The Mississippi Gaming Commission shall have
309 power to examine or to cause to be examined the books and records
310 of any organization to which such license is issued so far as they
311 may relate to any transactions connected with the holding and
312 conducting of bingo and to examine any manager, officer, director,
313 agent, member or employee thereof under oath in relation to the
314 conduct of any such game, but any information so received shall
315 not be disclosed except so far as may be necessary for the purpose
316 of carrying out the provisions of Sections 97-33-51 through
317 97-33-203.

318 (2) The State Tax Commission shall have the power to examine
319 or to cause to be examined the books and records of any
320 organization to which a license is issued for the purpose of
321 determining compliance with the Charitable Bingo Law and any other
322 laws and regulations and to conduct in-depth audits and
323 investigation of the licensee.

324 (3) This section shall not apply to a charitable
325 organization described in Section 97-33-53(b)(i)1 that has

326 internal rules, regulations or guidelines for conducting bingo
327 games.

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

330 97-33-75. (1) Any person, association or corporation
331 violating any provision of Sections 97-33-51 through 97-33-203 or
332 any rule or regulation of the commission shall be subject to a
333 fine imposed by the commission and to suspension or revocation of
334 its license.

335 (2) Any person who commits any of the following acts, upon
336 conviction, shall be fined not more than Five Thousand Dollars
337 (\$5,000.00) or imprisoned for one (1) year, or both:

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

341 (b) Holding, operating or conducting any bingo game
342 without a license;

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

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

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

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

355 (3) Any person who violates any other provision of Sections
356 97-33-51 through 97-33-203 that is not listed in this section may
357 be imprisoned for not more than six (6) months or fined not more
358 than Five Hundred Dollars (\$500.00), or both.

359 (4) Any conviction of any person pursuant to subsections (2)
360 and (3) of this section shall constitute cause for revocation of
361 the license of such person or the organization with which such
362 person is affiliated.

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

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

370 97-33-77. (1) No organization, distributor, manufacturer,
371 or any representative thereof, either with knowledge or in
372 circumstances whereunder he reasonably should have known, shall
373 possess, display, put out for play, sell or otherwise furnish to
374 any person any pull-tabs:

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

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

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

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

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

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

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

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

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

403 97-33-79. (1) No person or other entity shall fabricate,
404 concoct or manufacture any supplies or equipment for use in the
405 conducting of any bingo game authorized under Sections 97-33-51
406 through 97-33-203, including, but not limited to, bingo equipment,
407 pull-tabs or electronic representations within this state or for
408 use within this state without having obtained a manufacturer's
409 license from the commission.

410 (2) No person or other entity shall sell, offer for sale, or
411 otherwise furnish any other person any supplies or equipment of
412 use in the conduct of any bingo game authorized under Sections
413 97-33-51 through 97-33-203, including, but not limited to, bingo
414 equipment and pull-tabs without having obtained a distributor's or
415 operator's license from the commission.

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

422 (4) No manufacturer, distributor or operator of gaming
423 supplies or equipment shall directly or indirectly give gifts,

424 trips, prizes, premiums or other such gratuities to any charitable
425 gaming organization, its employees or commercial lessors.

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

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

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

439 97-33-81. (1) No organization which conducts charitable
440 bingo games shall be a manufacturer, distributor or operator of
441 supplies or equipment for such games.

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

444 (a) Have a direct or indirect financial interest in any
445 entity which manufactures or distributes supplies or equipment for
446 charitable bingo games;

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

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

454 (3) No entity which manufactures or distributes supplies or
455 equipment for charitable bingo games of chance; no officer,
456 director, shareholder, proprietor or employee of such entity; and

457 no person having a direct or indirect financial interest in such
458 an entity shall lease premises, directly or indirectly, to an
459 organization for purposes of conducting charitable bingo games of
460 chance.

461 (4) No entity or person described in subsection (1), (2) or
462 (3) of this section shall serve as a commercial lessor.

463 (5) This section shall not apply to a charitable
464 organization described in Section 97-33-53(b)(i)1 that has
465 internal rules, regulations or guidelines for conducting bingo
466 games.

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

469 97-33-107. In connection with its regulation of charitable
470 bingo games, the commission shall have the following functions,
471 duties and responsibilities:

472 (a) To issue and renew annual state licenses required
473 by law for organizations conducting bingo games and for
474 manufacturers, distributors or operators of supplies or equipment
475 for such games;

476 (b) To assess and collect fees not to exceed two and
477 one-half percent (2-1/2%) of the net proceeds of pull-tabs,
478 electronic bingo machines and electronic pull-tab machines, which
479 fees shall be limited to the amounts necessary to administer the
480 Charitable Bingo Law;

481 (c) To assess and collect fees equal to one percent
482 (1%) of the gross proceeds of each bingo session conducted by a
483 Class "A" charitable organization and equal to one-half of one
484 percent (1/2 of 1%) of the gross proceeds of each bingo session
485 conducted by a Class "B" or a Class "C" charitable organization;
486 provided, however, that the fees assessed and collected under this
487 subsection (c) shall not apply to pull-tabs, electronic bingo
488 machines or electronic pull-tab machines as described in
489 subsection (b) above; and provided, that the fees shall not be

490 collected in any bingo session held by a religious organization
491 which has been in existence for ten (10) years or longer, held on
492 the premises owned by the religious organization, and held without
493 any person being compensated for operating the game, and until the
494 gross proceeds of bingo games conducted by such organization
495 exceed Fifty Thousand Dollars (\$50,000.00) during the calendar
496 year;

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

500 (e) To monitor licensees to ensure compliance with all
501 provisions of law and regulations relative to charitable bingo
502 games through routine scheduled and unscheduled inspections,
503 investigations and audits;

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

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

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

513 (i) To adopt rules and regulations to provide for the
514 sale or transfer of surplus supplies or equipment from one
515 licensed organization to another and such other rules and
516 regulations as are necessary to carry out the purposes and
517 functions of Sections 97-33-51 through 97-33-203, including the
518 adoption of rules and regulations pursuant to Section 97-33-69(10)
519 which may provide for differing requirements, with regard to the
520 number of participants, sessions, amount of prizes offered,
521 proceeds received or other factors which affect the regulatory and
522 administrative burdens on organizations operating charitable bingo

523 games, for a certain class of organizations, provided that such
524 rules and regulations shall be no more restrictive than the
525 provisions of law that govern such factors;

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

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

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

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

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

552 This section shall not apply to a charitable organization
553 described in Section 97-33-53(b)(i)1 that has internal rules,
554 regulations or guidelines for conducting bingo games.

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

557 97-33-109. (1) The commission shall monitor the conduct or
558 business of licensees, both on a routine scheduled and an
559 unscheduled basis, to the extent necessary to ensure compliance
560 with the provisions of charitable bingo game laws and regulations
561 of the state.

562 (2) In carrying out its enforcement responsibilities, the
563 commission may:

564 (a) Inspect and examine all premises in which
565 charitable bingo games are conducted or supplies or equipment for
566 such games are manufactured and distributed;

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

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

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

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

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

579 (3) The commission shall require licensees to maintain
580 records and submit reports.

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

586 (5) All departments, commissions, boards, agencies, officers
587 and institutions of the state, and all subdivisions thereof, shall

588 cooperate with the commission in carrying out its enforcement
589 responsibilities.

590 (6) The Attorney General shall be the attorney for the
591 commission in regard to its duties to regulate the Charitable
592 Bingo Law and he shall represent it in all legal proceedings and
593 shall prosecute any civil action for a violation of the provisions
594 of Sections 97-33-51 through 97-33-203 or the rules and
595 regulations of the commission.

596 (7) It is the duty of the sheriffs, deputy sheriffs and
597 police officers of this state to assist the commission in the
598 enforcement of the provisions of Sections 97-33-51 through
599 97-33-203 and to arrest and complain against any person violating
600 the provisions of Sections 97-33-51 through 97-33-203. It is the
601 duty of the district attorneys of this state to prosecute all
602 violations of the provisions of Sections 97-33-51 through
603 97-33-203 if requested to do so by the commission.

604 (8) (a) Whenever any person who is a resident of the State
605 of Mississippi has reason to believe that a person or organization
606 is or has violated the provisions of Sections 97-33-51 through
607 97-33-203 and that proceedings would be in the public interest, he
608 may bring an action in the name of the state against such person
609 to restrain by temporary or permanent injunction such violation,
610 upon at least five (5) days' summons before the hearing of the
611 action. The action shall be brought in the chancery or county
612 court of the county in which such violation has occurred or, with
613 consent of the parties, may be brought in the chancery or county
614 court of the county in which the State Capitol is located. The
615 said courts are authorized to issue temporary or permanent
616 injunctions to restrain and prevent violations of Sections
617 97-33-51 through 97-33-203, and such injunctions shall be issued
618 without bond.

619 (b) Any person who violates the terms of an injunction
620 issued under this subsection shall forfeit and pay to the state a

621 civil penalty of not more than Five Thousand Dollars (\$5,000.00)
622 per violation which shall be payable to the General Fund of the
623 State of Mississippi. For the purposes of this subsection, the
624 chancery or county court issuing an injunction shall retain
625 jurisdiction, and the cause shall be continued, and in such cases
626 the person bringing the action may petition for recovery of civil
627 penalties.

628 (c) In any action brought under this subsection, if the
629 court finds that a person is willfully violating the provisions of
630 Sections 97-33-51 through 97-33-203, the person bringing the
631 action, upon petition to the court, may recover on behalf of the
632 state a civil penalty of not exceeding Five Hundred Dollars
633 (\$500.00) per violation which shall be payable to the General Fund
634 of the State of Mississippi.

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

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

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

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

650 97-33-201. (1) (a) Any organization or person seeking
651 licensure as a manufacturer, distributor or operator of bingo
652 gaming supplies or equipment shall submit an application to the
653 commission on forms provided for such purposes. Such application

654 shall contain such information as may be reasonably required by
655 rules of the commission. The application shall be accompanied by
656 a fee as established by the commission.

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

661 (2) The commission shall not issue a license under this
662 section to:

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

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

668 (c) Any person who is or has ever been a professional
669 gambler;

670 (d) Any firm, organization or corporation in which any
671 person as described in paragraphs (a) through (c) of this
672 subsection is an officer or director, whether compensated or not,
673 or in which such person has a direct or indirect financial
674 interest;

675 (e) Any person, firm, organization, entity or
676 corporation which has a direct or indirect financial interest in a
677 licensed charity.

678 (3) The commission may deny an application for licensure,
679 refuse to renew a license, or suspend or revoke a license for any
680 reason consistent with the purposes of Sections 97-33-201 and
681 97-33-203 which it deems to be in the interest of the public.
682 However, policies regarding such denial, suspension, revocation or
683 refusal to renew shall be established by rule and regulation.

684 (4) Any significant change in the information submitted on
685 its application for licensure shall be filed by a licensee with
686 the commission within ten (10) days of the change. A significant

687 change shall include but not be limited to any change in the
688 officers, directors, managers, proprietors or persons having a
689 direct or indirect financial interest in any licensed organization
690 or entity.

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

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

698 97-33-51. (1) The provisions of Sections 97-33-1 through
699 97-33-49 shall not apply to any raffle wherein a ticket is sold
700 and a prize is offered when such raffle is being held by and for
701 the benefit of any nonprofit civic, educational, wildlife
702 conservation or religious organization with all proceeds going to
703 said organization.

704 (2) The provisions of Sections 97-33-1 through 97-33-49
705 shall not apply to any bingo game wherein a prize is offered when
706 such bingo game is being held in accordance with the provisions of
707 the Charitable Bingo Law. Sections 97-33-1 through 97-33-49 shall
708 not apply to any bingo game wherein a prize is offered when such
709 bingo game is being held by a charitable organization described in
710 Section 97-33-53(b)(i)1 that has internal rules, regulations or
711 guidelines for conducting bingo games.

712 (3) A bingo game or a raffle held pursuant to the provisions
713 of the Charitable Bingo Law shall not be considered a game or
714 gambling game for the purposes of Section 75-76-1 et seq. A bingo
715 game or raffle held by a charitable organization described in
716 Section 97-33-53(b)(i)1 that has internal rules, regulations or
717 guidelines for conducting bingo games shall not be considered a
718 game or gambling game for the purposes of Section 75-76-1 et seq.

719 SECTION 16. This act shall take effect and be in force from
720 and after July 1, 2001.