HOUSE BILL NO. 1235

AN ACT TO AMEND SECTION 97-33-52, MISSISSIPPI CODE OF 1972, TO ALLOW A CHARITABLE ORGANIZATION TO USE BINGO GROSS RECEIPTS TO PAY ADMINISTRATIVE PENALTIES; TO AMEND SECTION 97-33-53, MISSISSIPPI CODE OF 1972, TO DEFINE "NET PROCEEDS" AND "GROSS RECEIPTS" FOR PURPOSES OF THE CHARITABLE BINGO LAW; AND FOR RELATED PURPOSES.

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

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

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

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

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

(2) Except as may be otherwise provided in Sections 97-33-51 through 97-33-203, all net proceeds derived from a bingo game authorized by this section shall be expended only for the purposes for which the organization is created, and no net proceeds derived from a bingo game authorized by this section shall be distributed to a charity outside of the State of Mississippi without the approval of the Mississippi Gaming Commission. Nothing in this section or chapter shall prohibit a charitable organization from using gross receipts derived from a bingo game authorized under this chapter to pay administrative penalties imposed by a state agency against the charitable organization.

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

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

SECTION 2. Section 97-33-53, Mississippi Code of 1972, is amended as follows:

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

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

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

(ii) Played with the participant covering, marking or revealing the numbers or symbols, as objects similarly numbered or designated are drawn from a receptacle and orally called; in the case of electronic representations, the requisite covering, marking or revealing may be accomplished electronically to match objects similarly numbered or designated and stored in memory in advance as winners, or which are generated randomly by an electronic process;

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

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

The term "bingo" includes pull-tabs made available as a companion game to bingo and played on the premises. The term
"bingo" does not include any game which is played via television, telephone, satellite dish or any other telecommunications transmission or receiving device. Any electronic device used to produce an electronic representation must maintain an inventory recorded in computed memory, not on cartridge memory, of the number of winners and losers. It must also be equipped with tamper-proof electric meters as a backup to the computer memory. It may not dispense cash or coins. Paybacks will be dispensed by printed ticket only. The printer shall maintain duplicate records of all transactions. All such electronic devices shall be approved by the Mississippi Gaming Commission.

(b) "Charitable organization" means:

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

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

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

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

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

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

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

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

(f) "Commercial lessor" means any person or other entity, other than a bona fide nonprofit organization licensed to conduct charitable bingo games, who leases any building, structure or premises to organizations licensed under the provisions of Sections 97-33-51 through 97-33-203.

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

(h) "Pull-tabs" means single or banded tickets or cards each with its face covered to conceal one or more numbers or symbols, where one or more cards or tickets in each set have been designed in advance as winners. "Pull-tabs" shall also mean any device for dispensing pull-tabs.
(i) "Session" means any five-hour time period within one (1) day or six-hour time period within one (1) week.

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

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

(l) "Net proceeds" means the gross amount collected from game participants less: the actual prizes or winnings paid, the actual cost or expenses of conducting the bingo game, any administrative penalties imposed by a state agency against the charitable organization, and any other expense authorized under this chapter or any regulation promulgated thereunder.

(m) "Gross receipts" means all revenue derived from bingo operations.

SECTION 3. This act shall take effect and be in force from and after July 1, 2002.