

By: Representative Moak

To: Gaming; Ways and Means

HOUSE BILL NO. 1507

1 AN ACT TO BRING FORWARD SECTIONS 75-76-1 THROUGH 75-76-313,  
2 MISSISSIPPI CODE OF 1972, WHICH ARE THE MISSISSIPPI GAMING CONTROL  
3 ACT, FOR THE PURPOSE OF AMENDMENT; AND FOR RELATED PURPOSES.

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

5 **SECTION 1.** Section 75-76-1, Mississippi Code of 1972, is  
6 brought forward as follows:

7 75-76-1. This chapter shall be known and may be cited as the  
8 "Mississippi Gaming Control Act."

9 **SECTION 2.** Section 75-76-3, Mississippi Code of 1972, is  
10 brought forward as follows:

11 75-76-3. (1) The provisions of this chapter shall not be  
12 construed to legalize any form of gaming which is prohibited under  
13 the Mississippi Constitution or the laws of this state. All legal  
14 gaming which is conducted in this state and which is otherwise  
15 authorized by law shall be regulated and licensed pursuant to the  
16 provisions of this chapter, unless the Legislature specifically  
17 provides otherwise. Nothing in this chapter shall be construed as  
18 encouraging the legalization of gambling in this state.

19 (2) The Legislature hereby finds and declares that lotteries  
20 and gaming both consist of the material element of chance. The  
21 Legislature is prohibited from legislating upon lotteries and  
22 permitted by virtue of its inherent powers to legislate upon  
23 gaming as the occasion arises. The Legislature derives its power  
24 to legislate upon gaming or gambling devices from its inherent  
25 authority over the morals and policy of the people and such power  
26 shall not be considered to conflict with the constitutional  
27 prohibition of lotteries.

28           (3) The Legislature hereby finds, and declares it to be the  
29 public policy of this state, that:

30           (a) Regulation of licensed gaming is important in order  
31 that licensed gaming is conducted honestly and competitively, that  
32 the rights of the creditors of licensees are protected and that  
33 gaming is free from criminal and corruptive elements.

34           (b) Public confidence and trust can only be maintained  
35 by strict regulation of all persons, locations, practices,  
36 associations and activities related to the operation of licensed  
37 gaming establishments and the manufacture or distribution of  
38 gambling devices and equipment.

39           (c) All establishments where gaming is conducted and  
40 where gambling devices are operated, and manufacturers, sellers  
41 and distributors of certain gambling devices and equipment must  
42 therefore be licensed, controlled and assisted to protect the  
43 public health, safety, morals, good order and general welfare of  
44 the inhabitants of the state.

45           (4) It is the intent of the Legislature that gaming  
46 licensees, to the extent practicable, employ residents of  
47 Mississippi as gaming employees and other employees in the  
48 operation of their gaming establishments located in this state.

49           (5) No applicant for a license or other affirmative  
50 commission approval has any right to a license or the granting of  
51 the approval sought. Any license issued or other commission  
52 approval granted pursuant to the provisions of this chapter is a  
53 revocable privilege, and no holder acquires any vested right  
54 therein or thereunder.

55           (6) The Legislature recognizes that Section 98 of the  
56 Mississippi Constitution of 1890 prohibits the conducting of any  
57 lottery in this state and that, while not defining the term  
58 "lottery," Section 98 clearly contemplates, as indicated by  
59 specific language contained therein, that a lottery involves the  
60 sale of tickets and a drawing in order to determine the winner.

61 The Legislature also recognizes that Section 98 of the Mississippi  
62 Constitution of 1890 directs the Legislature to provide by law for  
63 the enforcement of its provisions. Therefore, in carrying out its  
64 duties under the Constitution and effectuating the intent of  
65 Section 98, the Legislature hereby finds that a lottery, as  
66 prohibited by the Constitution, does not include all forms of  
67 gambling but means any activity in which:

68 (a) The player or players pay or agree to pay something  
69 of value for chances, represented and differentiated by tickets,  
70 slips of paper or other physical and tangible documentation upon  
71 which appear numbers, symbols, characters or other distinctive  
72 marks used to identify and designate the winner or winners; and

73 (b) The winning chance or chances are to be determined  
74 by a drawing or similar selection method based predominately upon  
75 the element of chance or random selection rather than upon the  
76 skill or judgment of the player or players; and

77 (c) The holder or holders of the winning chance or  
78 chances are to receive a prize or something of valuable  
79 consideration; and

80 (d) The activity is conducted and participated in  
81 without regard to geographical location, with the player or  
82 players not being required to be present upon any particular  
83 premises or at any particular location in order to participate or  
84 to win.

85 **SECTION 3.** Section 75-76-5, Mississippi Code of 1972, is  
86 brought forward as follows:

87 75-76-5. As used in this chapter, unless the context  
88 requires otherwise:

89 (a) "Applicant" means any person who has applied for or  
90 is about to apply for a state gaming license, registration or  
91 finding of suitability under the provisions of this chapter or  
92 approval of any act or transaction for which approval is required  
93 or permitted under the provisions of this chapter.

94           (b) "Application" means a request for the issuance of a  
95 state gaming license, registration or finding of suitability under  
96 the provisions of this chapter or for approval of any act or  
97 transaction for which approval is required or permitted under the  
98 provisions of this chapter but does not include any supplemental  
99 forms or information that may be required with the application.

100           (c) "Associated equipment" means any equipment or  
101 mechanical, electromechanical or electronic contrivance, component  
102 or machine used remotely or directly in connection with gaming or  
103 with any game, race book or sports pool that would not otherwise  
104 be classified as a gaming device, including dice, playing cards,  
105 links which connect to progressive slot machines, equipment which  
106 affects the proper reporting of gross revenue, computerized  
107 systems of betting at a race book or sports pool, computerized  
108 systems for monitoring slot machines, and devices for weighing or  
109 counting money.

110           (d) "Chairman," through September 30, 1993, means the  
111 Chairman of the State Tax Commission, and thereafter means the  
112 Chairman of the Mississippi Gaming Commission.

113           (e) "Commission" or "Mississippi Gaming Commission,"  
114 through September 30, 1993, means the State Tax Commission, and  
115 thereafter means the Mississippi Gaming Commission.

116           (f) "Commission member," through September 30, 1993,  
117 means a member of the State Tax Commission, and thereafter means a  
118 member of the Mississippi Gaming Commission.

119           (g) "Credit instrument" means a writing which evidences  
120 a gaming debt owed to a person who holds a license at the time the  
121 debt is created, and includes any writing taken in consolidation,  
122 redemption or payment of a prior credit instrument.

123           (h) "Enforcement division" means a particular division  
124 supervised by the executive director that provides enforcement  
125 functions.

126 (i) "Establishment" means any premises wherein or  
127 whereon any gaming is done.

128 (j) "Executive director," through September 30, 1993,  
129 means the director appointed by the State Tax Commission pursuant  
130 to Section 75-76-15(1), and thereafter means the Executive  
131 Director of the Mississippi Gaming Commission.

132 (k) Except as otherwise provided by law, "game," or  
133 "gambling game" means any banking or percentage game played with  
134 cards, with dice or with any mechanical, electromechanical or  
135 electronic device or machine for money, property, checks, credit  
136 or any representative of value, including, without limiting the  
137 generality of the foregoing, faro, monte, roulette, keno, fan-tan,  
138 twenty-one, blackjack, seven-and-a-half, big injun, klondike,  
139 craps, poker, chuck-a-luck (dai shu), wheel of fortune, chemin de  
140 fer, baccarat, pai gow, beat the banker, panguingui, slot machine,  
141 or any other game or device approved by the commission. However,  
142 "game" or "gambling game" shall not include bingo games or raffles  
143 which are held pursuant to the provisions of Section 97-33-51.

144 The commission shall not be required to recognize any game  
145 hereunder with respect to which the commission determines it does  
146 not have sufficient experience or expertise.

147 (l) "Gaming" or "gambling" means to deal, operate,  
148 carry on, conduct, maintain or expose for play any game as defined  
149 in this chapter.

150 (m) "Gaming device" means any mechanical,  
151 electromechanical or electronic contrivance, component or machine  
152 used in connection with gaming or any game which affects the  
153 result of a wager by determining win or loss. The term includes a  
154 system for processing information which can alter the normal  
155 criteria of random selection, which affects the operation of any  
156 game, or which determines the outcome of a game. The term does  
157 not include a system or device which affects a game solely by  
158 stopping its operation so that the outcome remains undetermined,

159 and does not include any antique coin machine as defined in  
160 Section 27-27-12.

161 (n) "Gaming employee" means any person connected  
162 directly with the operation of a gaming establishment licensed to  
163 conduct any game, including:

- 164 (i) Boxmen;
- 165 (ii) Cashiers;
- 166 (iii) Change personnel;
- 167 (iv) Counting room personnel;
- 168 (v) Dealers;
- 169 (vi) Floormen;
- 170 (vii) Hosts or other persons empowered to extend  
171 credit or complimentary services;
- 172 (viii) Keno runners;
- 173 (ix) Keno writers;
- 174 (x) Machine mechanics;
- 175 (xi) Security personnel;
- 176 (xii) Shift or pit bosses;
- 177 (xiii) Shills;
- 178 (xiv) Supervisors or managers; and
- 179 (xv) Ticket writers.

180 The term "gaming employee" also includes employees of  
181 manufacturers or distributors of gaming equipment within this  
182 state whose duties are directly involved with the manufacture,  
183 repair or distribution of gaming equipment.

184 "Gaming employee" does not include bartenders, cocktail  
185 waitresses or other persons engaged in preparing or serving food  
186 or beverages unless acting in some other capacity.

187 (o) "Gaming license" means any license issued by the  
188 state which authorizes the person named therein to engage in  
189 gaming.

190 (p) "Gross revenue" means the total of all of the  
191 following, less the total of all cash paid out as losses to

192 patrons and those amounts paid to purchase annuities to fund  
193 losses paid to patrons over several years by independent financial  
194 institutions:

195 (i) Cash received as winnings;

196 (ii) Cash received in payment for credit extended  
197 by a licensee to a patron for purposes of gaming; and

198 (iii) Compensation received for conducting any  
199 game in which the licensee is not party to a wager.

200 For the purposes of this definition, cash or the value of  
201 noncash prizes awarded to patrons in a contest or tournament are  
202 not losses.

203 The term does not include:

204 (i) Counterfeit money or tokens;

205 (ii) Coins of other countries which are received  
206 in gaming devices;

207 (iii) Cash taken in fraudulent acts perpetrated  
208 against a licensee for which the licensee is not reimbursed; or

209 (iv) Cash received as entry fees for contests or  
210 tournaments in which the patrons compete for prizes.

211 (q) "Hearing examiner" means a member of the  
212 Mississippi Gaming Commission or other person authorized by the  
213 commission to conduct hearings.

214 (r) "Investigation division" means a particular  
215 division supervised by the executive director that provides  
216 investigative functions.

217 (s) "License" means a gaming license or a  
218 manufacturer's, seller's or distributor's license.

219 (t) "Licensee" means any person to whom a valid license  
220 has been issued.

221 (u) "License fees" means monies required by law to be  
222 paid to obtain or continue a gaming license or a manufacturer's,  
223 seller's or distributor's license.

224           (v) "Licensed gaming establishment" means any premises  
225 licensed pursuant to the provisions of this chapter wherein or  
226 whereon gaming is done.

227           (w) "Manufacturer's," "seller's" or "distributor's"  
228 license means a license issued pursuant to Section 75-76-79.

229           (x) "Navigable waters" shall have the meaning ascribed  
230 to such term under Section 27-109-1.

231           (y) "Operation" means the conduct of gaming.

232           (z) "Party" means the Mississippi Gaming Commission and  
233 any licensee or other person appearing of record in any proceeding  
234 before the commission; or the Mississippi Gaming Commission and  
235 any licensee or other person appearing of record in any proceeding  
236 for judicial review of any action, decision or order of the  
237 commission.

238           (aa) "Person" includes any association, corporation,  
239 firm, partnership, trust or other form of business association as  
240 well as a natural person.

241           (bb) "Premises" means land, together with all  
242 buildings, improvements and personal property located thereon, and  
243 includes all parts of any vessel or cruise vessel.

244           (cc) "Race book" means the business of accepting wagers  
245 upon the outcome of any event held at a track which uses the  
246 pari-mutuel system of wagering.

247           (dd) "Regulation" means a rule, standard, directive or  
248 statement of general applicability which effectuates law or policy  
249 or which describes the procedure or requirements for practicing  
250 before the commission. The term includes a proposed regulation  
251 and the amendment or repeal of a prior regulation but does not  
252 include:

253                   (i) A statement concerning only the internal  
254 management of the commission and not affecting the rights or  
255 procedures available to any licensee or other person;

256                   (ii) A declaratory ruling;



257 (iii) An interagency memorandum;

258 (iv) The commission's decision in a contested case  
259 or relating to an application for a license; or

260 (v) Any notice concerning the fees to be charged  
261 which are necessary for the administration of this chapter.

262 (ee) "Respondent" means any licensee or other person  
263 against whom a complaint has been filed with the commission.

264 (ff) "Slot machine" means any mechanical, electrical or  
265 other device, contrivance or machine which, upon insertion of a  
266 coin, token or similar object, or upon payment of any  
267 consideration, is available to play or operate, the play or  
268 operation of which, whether by reason of the skill of the operator  
269 or application of the element of chance, or both, may deliver or  
270 entitle the person playing or operating the machine to receive  
271 cash, premiums, merchandise, tokens or anything of value, whether  
272 the payoff is made automatically from the machine or in any other  
273 manner. The term does not include any antique coin machine as  
274 defined in Section 27-27-12.

275 (gg) "Sports pool" means the business of accepting  
276 wagers on sporting events, except for athletic events, by any  
277 system or method of wagering other than the system known as the  
278 "pari-mutuel method of wagering."

279 (hh) "Temporary work permit" means a work permit which  
280 is valid only for a period not to exceed ninety (90) days from its  
281 date of issue and which is not renewable.

282 (ii) "Vessel" or "cruise vessel" shall have the  
283 meanings ascribed to such terms under Section 27-109-1.

284 (jj) "Work permit" means any card, certificate or  
285 permit issued by the commission, whether denominated as a work  
286 permit, registration card or otherwise, authorizing the employment  
287 of the holder as a gaming employee. A document issued by any  
288 governmental authority for any employment other than gaming is not  
289 a valid work permit for the purposes of this chapter.

290 (kk) "School or training institution" means any school  
291 or training institution which is licensed by the commission to  
292 teach or train gaming employees pursuant to Section 75-76-34.

293 (ll) "Cheat" means to alter the selection of criteria  
294 that determine:

295 (i) The rules of a game; or

296 (ii) The amount or frequency of payment in a game.

297 **SECTION 4.** Section 75-76-7, Mississippi Code of 1972, is  
298 brought forward as follows:

299 75-76-7. (1) The State Tax Commission shall exercise all  
300 powers and perform all duties assigned to the Mississippi Gaming  
301 Commission under this chapter. This subsection shall stand  
302 repealed on October 1, 1993.

303 (2) From and after October 1, 1993, the Mississippi Gaming  
304 Commission, consisting of three (3) members, is hereby created.

305 (3) (a) Each member of the commission shall be:

306 (i) A citizen of the United States; and

307 (ii) A resident of the State of Mississippi.

308 (b) One (1) member of the commission shall have been a  
309 resident for not less than five (5) years of a county in which  
310 gaming is authorized at the time of appointment.

311 (4) No member of the Legislature, no person holding any  
312 elective office, nor any officer or official of any political  
313 party shall be eligible to appointment to the commission.

314 (5) It is the intention of the Legislature that the  
315 commission shall be composed of the most qualified persons  
316 available, preferably no two (2) of whom shall be of the same  
317 profession or major field of industry; but no person actively  
318 engaged or having a direct pecuniary interest in gaming activities  
319 shall be a member of the commission.

320 **SECTION 5.** Section 75-76-9, Mississippi Code of 1972, is  
321 brought forward as follows:

322           75-76-9. (1) This section shall take effect from and after  
323 October 1, 1993.

324           (2) Initial appointments to the commission made pursuant to  
325 this chapter shall be for terms as follows:

326                   (a) One (1) member for two (2) years;

327                   (b) One (1) member for three (3) years; and

328                   (c) One (1) member for four (4) years.

329           (3) The term of each of the members first appointed pursuant  
330 to this chapter shall be designated by the Governor.

331           (4) After the initial appointments, all members shall be  
332 appointed for terms of four (4) years from the expiration date of  
333 the previous term; provided, however, that no member shall serve  
334 more than two (2) terms of four (4) years each.

335           (5) Appointments to the commission and designation of the  
336 chairman shall be made by the Governor with the advice and consent  
337 of the Senate. Prior to the nomination, the PEER Committee shall  
338 conduct an inquiry into the nominee's background, with particular  
339 regard to the nominee's financial stability, integrity and  
340 responsibility and his reputation for good character, honesty and  
341 integrity.

342           (6) The member designated by the Governor to serve as  
343 chairman shall serve in such capacity throughout such member's  
344 entire term and until his successor shall have been duly appointed  
345 and qualified. No such member, however, shall serve in such  
346 capacity for more than ten (10) years.

347           (7) Appointments to fill vacancies on the commission shall  
348 be for the unexpired term of the member to be replaced.

349           (8) Members of the commission shall not have any direct or  
350 indirect interest in an undertaking that puts their personal  
351 interest in conflict with that of the commission and shall be  
352 governed by the provisions of Section 109 of the Mississippi  
353 Constitution and Section 25-4-105.

354 (9) Each member of the commission shall serve for the  
355 duration of his term and until his successor shall be duly  
356 appointed and qualified; provided, however, that in the event that  
357 a successor is not duly appointed and qualified within one hundred  
358 twenty (120) days after the expiration of the member's term, a  
359 vacancy shall be deemed to exist.

360 (10) Each member of the commission is entitled to per diem  
361 as provided by Section 25-3-69.

362 **SECTION 6.** Section 75-76-11, Mississippi Code of 1972, is  
363 brought forward as follows:

364 75-76-11. (1) This section shall take effect from and after  
365 October 1, 1993.

366 (2) The executive director and his employees shall furnish  
367 to the commission such administrative and clerical services and  
368 such furnishings, equipment, supplies, stationery, books and all  
369 other things that the commission may deem necessary or desirable  
370 in carrying out its functions.

371 (3) All costs of administration incurred by the executive  
372 director on behalf of the commission shall be paid out on claims  
373 from the State Treasury.

374 **SECTION 7.** Section 75-76-13, Mississippi Code of 1972, is  
375 brought forward as follows:

376 75-76-13. (1) This section shall take effect from and after  
377 October 1, 1993.

378 (2) Regular and special meetings of the commission may be  
379 held, at the discretion of the commission, at such times and  
380 places as it may deem convenient, but at least one (1) regular  
381 meeting shall be held each month on or after the fifteenth day of  
382 the month. All meetings shall be open unless they may be closed  
383 pursuant to Section 25-41-7.

384 (3) A majority of the members is a quorum of the commission.

385 **SECTION 8.** Section 75-76-15, Mississippi Code of 1972, is  
386 brought forward as follows:

387           75-76-15. (1) The State Tax Commission shall appoint a  
388 director who shall exercise all powers and perform all duties  
389 assigned to the executive director under this chapter. This  
390 subsection shall stand repealed on October 1, 1993.

391           (2) From and after October 1, 1993, the position of  
392 Executive Director of the Mississippi Gaming Commission is hereby  
393 created.

394           (3) The Gaming Commission shall appoint the executive  
395 director, with the advice and consent of the Senate, and the  
396 executive director shall serve at the will and pleasure of the  
397 commission. The director appointed by the State Tax Commission  
398 pursuant to subsection (1) of this section who is serving on  
399 September 30, 1993, shall serve as the Executive Director of the  
400 Mississippi Gaming Commission until the executive director  
401 appointed by the Gaming Commission pursuant to this section is  
402 confirmed by the Senate.

403           (4) No member of the Legislature, no person holding any  
404 elective office, nor any officer or official of any political  
405 party is eligible for the appointment of executive director.

406           (5) The executive director must have at least five (5) years  
407 of responsible administrative experience in public or business  
408 administration or possess broad management skills.

409           (6) The executive director shall devote his entire time and  
410 attention to his duties under this chapter and the business of the  
411 commission and shall not pursue any other business or occupation  
412 or hold any other office of profit.

413           (7) The executive director shall not be pecuniarily  
414 interested in any business or organization holding a gaming  
415 license under this chapter or doing business with any person or  
416 organization licensed under this chapter.

417           (8) The executive director is entitled to an annual salary  
418 in the amount specified by the commission, subject to the approval

419 of the State Personnel Board, within the limits of legislative  
420 appropriations or authorizations.

421 **SECTION 9.** Section 75-76-17, Mississippi Code of 1972, is  
422 brought forward as follows:

423 75-76-17. (1) From and after October 1, 1993, there are  
424 hereby created, for supervision by the executive director, two (2)  
425 divisions which are entitled the Enforcement Division and the  
426 Investigation Division. The executive director shall be  
427 authorized to create such other divisions as he deems necessary to  
428 implement the provisions of this chapter excluding an audit  
429 division.

430 (2) The executive director shall employ division directors  
431 that possess training and experience in the fields of  
432 investigation, law enforcement, law or gaming.

433 **SECTION 10.** Section 75-76-19, Mississippi Code of 1972, is  
434 brought forward as follows:

435 75-76-19. (1) The executive director shall maintain a file  
436 of all applications for licenses under this chapter, together with  
437 a record of all action taken with respect to those applications.  
438 The file and record are open to public inspection.

439 (2) The commission and the executive director may maintain  
440 such other files and records as they deem desirable.

441 (3) All information and data:

442 (a) Required by the commission or the executive  
443 director to be furnished to them under this chapter or which may  
444 be otherwise obtained relative to the finances, earnings or  
445 revenue of any applicant or licensee;

446 (b) Pertaining to an applicant's criminal record,  
447 antecedents and background which have been furnished to or  
448 obtained by the commission or the executive director from any  
449 source;

450 (c) Provided to the members of the commission or the  
451 executive director or his employees by a governmental agency or an

452 informer or on the assurance that the information will be held in  
453 confidence and treated as confidential; and

454 (d) Obtained by the executive director or the  
455 commission from a manufacturer, distributor or operator relating  
456 to the manufacturing of gaming devices; are confidential and may  
457 be revealed in whole or in part only in the course of the  
458 necessary administration of this chapter or upon the lawful order  
459 of a court of competent jurisdiction, except that the executive  
460 director or the commission may reveal such information and data to  
461 an authorized agent of any agency of the United States Government,  
462 any state, or any political subdivision of this state pursuant to  
463 regulations adopted by the commission. Notice of the content of  
464 any information or data furnished or released pursuant to this  
465 subsection (3) may be given to any applicant or licensee in a  
466 manner prescribed by regulations adopted by the commission.

467 (4) Before the beginning of each legislative session, the  
468 commission shall submit to the Legislature a report on the gross  
469 revenue, net revenue and average depreciation of all licensees,  
470 categorized by class of licensee and geographical area, and the  
471 assessed valuation of the property of all licensees, by category,  
472 as listed on the ad valorem tax assessment rolls.

473 **SECTION 11.** Section 75-76-21, Mississippi Code of 1972, is  
474 brought forward as follows:

475 75-76-21. (1) The executive director in pursuit of the  
476 attainment of the objectives and the purposes of this chapter may:

477 (a) Sue and be sued on behalf of the commission;

478 (b) Acquire real property in accordance with statutory  
479 procedure and make improvements thereon on behalf of the  
480 commission;

481 (c) Make, execute and effectuate any and all agreements  
482 or contracts, including contracts for the purchase of goods and  
483 services as are necessary;

484           (d) Employ the services of such persons as he considers  
485 necessary for the purposes of consultation or investigation and  
486 fix the salaries of or contract for the services of such legal,  
487 professional, technical and operational personnel and consultants,  
488 subject to applicable provisions of the State Personnel Board.  
489 For the purpose of implementing the provisions of this chapter,  
490 additional legal assistance may be retained only with the approval  
491 of the Attorney General;

492           (e) Acquire such furnishings, equipment, supplies,  
493 stationery, books, and all other things as he may deem necessary  
494 or desirable in carrying out his functions; and

495           (f) Perform such other duties which he may deem  
496 necessary to effectuate the purposes of this chapter.

497           (2) Except as otherwise provided in this chapter, all costs  
498 of administration incurred by the executive director and his  
499 employees shall be paid out on claims from the State Treasury in  
500 the same manner as other claims against the state are paid.

501           (3) The executive director is authorized to employ up to  
502 twenty-five (25) time-limited employees. Such employees shall be  
503 employed under authority and with approval of the State Tax  
504 Commission. This subsection shall stand repealed on October 1,  
505 1993.

506           **SECTION 12.** Section 75-76-23, Mississippi Code of 1972, is  
507 brought forward as follows:

508           75-76-23. The executive director shall direct and supervise  
509 all administrative and technical activities of the commission in  
510 accordance with the provisions of this chapter and with the  
511 administrative procedures of and regulations adopted by the  
512 commission. It shall be the duty of the executive director to:

513           (a) Establish, and from time to time alter, such plan  
514 of organization as he may deem expedient;

515           (b) By agreement secure information and services as he  
516 deems necessary from any department, agency or unit of state



517 government. Such agencies, departments or units of state  
518 government shall cooperate with the executive director and provide  
519 such information and services as may be required by the executive  
520 director to carry out his responsibilities;

521 (c) Make available for inspection by any member of the  
522 commission, upon request, all books, records, files and other  
523 information and documents of his office, and advise the commission  
524 and recommend such administrative regulations and other matters he  
525 deems necessary and advisable to improve the administration of  
526 this chapter; and

527 (d) Attend meetings of the commission or appoint a  
528 designee to attend on his behalf.

529 **SECTION 13.** Section 75-76-25, Mississippi Code of 1972, is  
530 brought forward as follows:

531 75-76-25. The Attorney General and his assistants shall  
532 represent the commission and the executive director in any  
533 proceeding to which the commission or the executive director is a  
534 party under this chapter. The Attorney General shall also advise  
535 the commission and the executive director in all other matters,  
536 including representing the commission when the commission sits in  
537 a quasi-judicial capacity.

538 **SECTION 14.** Section 75-76-27, Mississippi Code of 1972, is  
539 brought forward as follows:

540 75-76-27. (1) The provisions of this chapter with respect  
541 to state gaming licenses and manufacturer's, seller's and  
542 distributor's licenses shall be administered by the executive  
543 director for the protection of the public and in the public  
544 interest in accordance with the policy of this state.

545 (2) The executive director and his employees may:

546 (a) Inspect and examine all premises wherein gaming is  
547 conducted or gambling devices or equipment are manufactured, sold  
548 or distributed;

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

551           (c) Summarily seize and remove from such premises and  
552 impound any equipment or supplies for the purpose of examination  
553 and inspection;

554           (d) Demand access to and inspect, examine, photocopy  
555 and audit all papers, books and records of applicants and  
556 licensees, on their premises or elsewhere as practicable, in the  
557 presence of the licensee or his agent, respecting the gross income  
558 produced by any gaming business (and may require verification of  
559 income) and respecting all other matters affecting the enforcement  
560 of the policy or any of the provisions of this chapter.

561           (3) For the purpose of conducting audits after the cessation  
562 of gaming by a licensee, the former licensee shall furnish, upon  
563 demand of the executive director or his employee, books, papers  
564 and records as necessary to conduct the audits. The former  
565 licensee shall maintain all books, papers and records necessary  
566 for audits for a period of three (3) years after the date of the  
567 surrender or revocation of his gaming license. If the former  
568 licensee seeks judicial review of a deficiency determination or  
569 files a petition for a redetermination, he must maintain all  
570 books, papers and records until a final order is entered on the  
571 determination.

572           (4) The executive director may investigate, for the purpose  
573 of prosecution, any suspected criminal violation of the provisions  
574 of this chapter. For the purpose of the administration and  
575 enforcement of this chapter, the executive director and  
576 enforcement employees have the powers of a peace officer of this  
577 state.

578           (5) The commission or executive director has full power and  
579 authority to issue subpoenas and compel the attendance of  
580 witnesses at any place within this state, to administer oaths, and  
581 to require testimony under oath. Any process or notice may be

582 served in the manner provided for service of process and notices  
583 in civil actions. The commission or the executive director may  
584 pay such transportation and other expenses of witnesses as they  
585 deem reasonable and proper. Any person making false oath in any  
586 matter before the commission is guilty of perjury. The commission  
587 may appoint hearing examiners who may administer oaths and receive  
588 evidence and testimony under oath.

589 **SECTION 15.** Section 75-76-28, Mississippi Code of 1972, is  
590 brought forward as follows:

591 75-76-28. The commission has full power and authority to  
592 exercise any of the powers, duties and responsibilities set forth  
593 in Sections 97-33-51 through 97-33-81, 97-33-101 through  
594 97-33-109, 97-33-201 and 97-33-203.

595 **SECTION 16.** Section 75-76-29, Mississippi Code of 1972, is  
596 brought forward as follows:

597 75-76-29. (1) The executive director and his employees  
598 shall investigate the qualifications of each applicant under this  
599 chapter before any license is issued or before any registration,  
600 finding of suitability or approval of acts or transactions for  
601 which commission approval is required is granted, and the  
602 executive director shall continue to observe the conduct of all  
603 licensees and other persons having a material involvement directly  
604 or indirectly with a licensed gaming operation or registered  
605 holding company to ensure that licenses are not issued or held by,  
606 nor is there any material involvement directly or indirectly with  
607 a licensed gaming operation or registered holding company by,  
608 unqualified, disqualified or unsuitable persons or persons whose  
609 operations are conducted in an unsuitable manner or in unsuitable  
610 or prohibited places or locations.

611 (2) The executive director has the authority to recommend to  
612 the commission the denial of any application, the limitation,  
613 conditioning or restriction of any license, registration, finding  
614 of suitability or approval or the imposition of a fine upon any

615 person licensed, registered or found suitable or approved for any  
616 cause deemed reasonable by the executive director.

617 (3) The commission has full and absolute power and authority  
618 to deny any application or limit, condition, restrict, revoke or  
619 suspend any license, registration, finding of suitability or  
620 approval, or fine any person licensed, registered, found suitable  
621 or approved, for any cause deemed reasonable by the commission.

622 (4) Any license issued or other commission approval granted  
623 pursuant to the provisions of this chapter is a revocable  
624 privilege, and no holder acquires any vested right therein or  
625 thereunder. The initial decision of the commission to deny,  
626 limit, condition or restrict a license shall be final.

627 **SECTION 17.** Section 75-76-31, Mississippi Code of 1972, is  
628 brought forward as follows:

629 75-76-31. The commission and the executive director may  
630 refuse to reveal, in any court or administrative proceeding except  
631 a proceeding brought by the State of Mississippi, the identity of  
632 an informant or the information obtained from the informant, or  
633 both the identity and the information.

634 **SECTION 18.** Section 75-76-33, Mississippi Code of 1972, is  
635 brought forward as follows:

636 75-76-33. (1) The commission shall, from time to time,  
637 adopt, amend or repeal such regulations, consistent with the  
638 policy, objects and purposes of this chapter, as it may deem  
639 necessary or desirable in the public interest in carrying out the  
640 policy and provisions of this chapter.

641 (2) These regulations shall, without limiting the general  
642 powers herein conferred, include the following:

643 (a) Prescribing the method and form of application  
644 which any applicant for a license or for a manufacturer's,  
645 seller's or distributor's license must follow and complete before  
646 consideration of his application by the executive director or the  
647 commission.

648           (b) Prescribing the information to be furnished by any  
649 applicant or licensee concerning his antecedents, habits,  
650 character, associates, criminal record, business activities and  
651 financial affairs, past or present.

652           (c) Prescribing the information to be furnished by a  
653 licensee relating to his employees.

654           (d) Requiring fingerprinting of an applicant or  
655 licensee, and gaming employees of a licensee, or other methods of  
656 identification and the forwarding of all fingerprints taken  
657 pursuant to regulation of the Federal Bureau of Investigation.

658           (e) Prescribing the manner and procedure of all  
659 hearings conducted by the commission or any hearing examiner of  
660 the commission, including special rules of evidence applicable  
661 thereto and notices thereof.

662           (f) Requiring any applicant to pay all or any part of  
663 the fees and costs of investigation of such applicant as may be  
664 determined by the commission, except that no applicant for an  
665 initial license shall be required to pay any part of the fees or  
666 costs of the investigation of the applicant with regard to the  
667 initial license.

668           (g) Prescribing the manner and method of collection and  
669 payment of fees and issuance of licenses.

670           (h) Prescribing under what conditions a licensee may be  
671 deemed subject to revocation or suspension of his license.

672           (i) Requiring any applicant or licensee to waive any  
673 privilege with respect to any testimony at any hearing or meeting  
674 of the commission, except any privilege afforded by the  
675 Constitution of the United States or this state.

676           (j) Defining and limiting the area, games and devices  
677 permitted, and the method of operation of such games and devices,  
678 for the purposes of this chapter.

679 (k) Prescribing under what conditions the nonpayment of  
680 a gambling debt by a licensee shall be deemed grounds for  
681 revocation or suspension of his license.

682 (l) Governing the use and approval of gambling devices  
683 and equipment.

684 (m) Prescribing the qualifications of, and the  
685 conditions under which, attorneys, accountants and others are  
686 permitted to practice before the commission.

687 (n) Restricting access to confidential information  
688 obtained under this chapter and ensuring that the confidentiality  
689 of such information is maintained and protected.

690 (o) Prescribing the manner and procedure by which the  
691 executive director on behalf of the commission shall notify a  
692 county or a municipality wherein an applicant for a license  
693 desires to locate.

694 (p) Prescribing the manner and procedure for an  
695 objection to be filed with the commission and the executive  
696 director by a county or municipality wherein an applicant for a  
697 license desires to locate.

698 (3) Notwithstanding any other provision of law, each  
699 licensee shall be required to comply with the following  
700 regulations:

701 (a) No wagering shall be allowed on the outcome of any  
702 athletic event, nor on any matter to be determined during an  
703 athletic event, nor on the outcome of any event which does not  
704 take place on the premises.

705 (b) No wager may be placed by, or on behalf of, any  
706 individual or entity or group, not present on a licensed vessel or  
707 cruise vessel.

708 **SECTION 19.** Section 75-76-34, Mississippi Code of 1972, is  
709 brought forward as follows:

710 75-76-34. (1) The Mississippi Gaming Commission is  
711 authorized to regulate all schools or training institutions that

712 teach or train gaming employees. Such schools shall only be  
713 located in counties where gaming is legal aboard a cruise vessel  
714 or vessel or in counties where cruise vessels were legally  
715 operating out of a port at the time of passage of the Mississippi  
716 Gaming Control Act pursuant to Section 19-3-79. No such school  
717 shall be located on publicly owned property, and no public school  
718 shall teach or train persons to be gaming employees. The gaming  
719 activities of schools or training institutions regulated by the  
720 commission shall be deemed to be legal under the laws of the State  
721 of Mississippi. Any person desiring to operate a school or  
722 training institution must file a license application with the  
723 executive director to be licensed by the commission.

724 (2) The commission may adopt regulations it deems necessary  
725 to regulate schools and training institutions. These regulations  
726 shall, without limiting the general powers of the commission,  
727 include the following:

728 (a) Prescribing the method and form of application  
729 which any applicant for a school or training institution must  
730 follow and complete before consideration of his application by the  
731 executive director or commission.

732 (b) Prescribing the information to be furnished by the  
733 applicant relating to his employees.

734 (c) Requiring fingerprinting of the applicant,  
735 employees and students of the school or institution or other  
736 methods of identification and the forwarding of all fingerprints  
737 taken pursuant to regulation of the Federal Bureau of  
738 Investigation.

739 (d) Requiring any applicant to pay all or part of the  
740 fees and costs of investigation of the applicant as may be  
741 determined by the commission.

742 (e) Prescribing the manner and method of collection and  
743 payment of fees and costs and issuance of licenses to schools or  
744 training institutions.

745           (f) Prescribing under what conditions a licensee  
746 authorized by this section may be deemed subject to revocation or  
747 suspension of his license.

748           (g) Defining the curriculum of the school or training  
749 institution, the games and devices permitted, the use of tokens  
750 only for instruction purposes, and the method of operation of  
751 games and devices.

752           (h) Requiring the applicant to submit its location of  
753 the school or training institution, which shall be at least four  
754 hundred (400) feet from any church, school, kindergarten or  
755 funeral home. However, within an area zoned commercial or  
756 business, the minimum distance shall not be less than one hundred  
757 (100) feet.

758           (i) Requiring that all employees and students of the  
759 school or training institution be at least twenty-one (21) years  
760 of age and be a resident of the State of Mississippi.

761           (j) Requiring all employees and students of the school  
762 or training institution to wear identification cards issued by the  
763 commission while on the premises of the school or training  
764 institution.

765           (k) Requiring the commission to investigate each  
766 applicant, employee and student and determine that the individual  
767 does not fall within any one (1) of the following categories:

768               (i) Is under indictment for, or has been convicted  
769 in any court of, a felony;

770               (ii) Is a fugitive from justice;

771               (iii) Is an unlawful user of any controlled  
772 substance, is addicted to any controlled substance or alcoholic  
773 beverage, or is an habitual drunkard;

774               (iv) Is a mental defective, has been committed to  
775 a mental institution, or has been voluntarily committed to a  
776 mental institution on more than one (1) occasion;



777                   (v) Has been discharged from the Armed Forces  
778 under dishonorable conditions; or

779                   (vi) Has been found at any time by the executive  
780 director or commission to have falsified any information.

781           **SECTION 20.** Section 75-76-35, Mississippi Code of 1972, is  
782 brought forward as follows:

783           75-76-35. (1) The Legislature hereby declares that the  
784 exclusion or ejection of certain persons from licensed gaming  
785 establishments is necessary to effectuate the policies of this  
786 chapter and to maintain effectively the strict regulation of  
787 licensed gaming.

788           (2) The commission may by regulation provide for the  
789 establishment of a list of persons who are to be excluded or  
790 ejected from any licensed gaming establishment. The list may  
791 include any person whose presence in the establishment is  
792 determined by the commission or the executive director to pose a  
793 threat to the interests of this state or to licensed gaming, or  
794 both.

795           (3) In making that determination, the commission and the  
796 executive director may consider any:

797           (a) Prior conviction of a crime which is a felony in  
798 this state or under the laws of the United States, a crime  
799 involving moral turpitude, or a violation of the gaming laws of  
800 any state;

801           (b) Violation or conspiracy to violate the provisions  
802 of this chapter relating to:

803           (i) The failure to disclose an interest in a  
804 gaming establishment for which the person must obtain a license;  
805 or

806           (ii) Willful evasion of fees or taxes;

807           (c) Notorious or unsavory reputation which would  
808 adversely affect public confidence and trust that the gaming  
809 industry is free from criminal or corruptive elements; or

810 (d) Written order of a governmental agency which  
811 authorizes the exclusion or ejection of the person from an  
812 establishment at which gaming is conducted.

813 (4) Race, color, creed, national origin or ancestry, or sex  
814 shall not be grounds for placing the name of a person upon the  
815 list.

816 **SECTION 21.** Section 75-76-37, Mississippi Code of 1972, is  
817 brought forward as follows:

818 75-76-37. (1) Whenever the name and description of any  
819 person is placed on a list, the commission shall serve notice of  
820 such fact to such person:

821 (a) By personal service; or

822 (b) By certified mail to the last known address of such  
823 person; or

824 (c) By publication daily for one (1) week in one of the  
825 principal newspapers published in the county where such person  
826 resides or Jackson, Mississippi, if notice cannot be served in  
827 person or by mail.

828 (2) Whenever the name and description of any person is  
829 placed on a list, the commission may notify all gaming licensees  
830 of such fact.

831 **SECTION 22.** Section 75-76-39, Mississippi Code of 1972, is  
832 brought forward as follows:

833 75-76-39. (1) Within thirty (30) days after service by mail  
834 or in person or sixty (60) days after the last publication, the  
835 person named may demand a hearing before the commission and show  
836 cause why he should have his name taken from such a list. Failure  
837 to demand a hearing within the time allotted in this section  
838 precludes the person from having an administrative hearing but in  
839 no way affects his right to petition for judicial review as  
840 provided in paragraph (b) of subsection (3) of this section.

841 (2) Upon receipt of a demand for hearing, the commission  
842 shall set a time and place for the hearing. This hearing must not

843 be held later than thirty (30) days after receipt of the demand  
844 for the hearing, unless the time of the hearing is changed by  
845 agreement of the commission and the person demanding the hearing.

846 (3) If, upon completion of the hearing, the commission  
847 determines that:

848 (a) The regulation does not or should not apply to the  
849 person so listed, the commission shall notify all persons licensed  
850 of its determination.

851 (b) Placing the person on the exclusion or ejection  
852 list was proper, the commission shall make and enter in its  
853 minutes an order to that effect. This order is subject to review  
854 by any court of competent jurisdiction.

855 **SECTION 23.** Section 75-76-41, Mississippi Code of 1972, is  
856 brought forward as follows:

857 75-76-41. The commission may revoke, limit, condition,  
858 suspend or fine an individual licensee or licensed gaming  
859 establishment in accordance with the laws of this state and the  
860 regulations of the commission if that establishment or any  
861 individual licensee affiliated therewith knowingly fails to  
862 exclude or eject from the premises of the licensed establishment  
863 any person placed on the list of persons to be excluded or  
864 ejected.

865 **SECTION 24.** Section 75-76-43, Mississippi Code of 1972, is  
866 brought forward as follows:

867 75-76-43. Any person who has been placed on the list of  
868 persons to be excluded or ejected from any licensed gaming  
869 establishment is guilty of a misdemeanor if he thereafter enters  
870 the premises of a licensed gaming establishment without first  
871 having obtained a determination by the commission that he should  
872 not have been placed on the list of persons to be excluded or  
873 ejected.

874 **SECTION 25.** Section 75-76-45, Mississippi Code of 1972, is  
875 brought forward as follows:

876           75-76-45. The commission shall prescribe minimum procedures  
877 for adoption by each licensee to exercise effective control over  
878 the internal fiscal affairs of the licensee, which shall include,  
879 but are not limited to, provisions for:

880           (a) The safeguarding of assets and revenues, especially  
881 the recording of cash and evidences of indebtedness; and

882           (b) The provision of reliable records, accounts and  
883 reports of transactions, operations and events, including reports  
884 to the commission and the executive director.

885           **SECTION 26.** Section 75-76-47, Mississippi Code of 1972, is  
886 brought forward as follows:

887           75-76-47. The commission shall by regulation require  
888 periodic financial reports from each licensee, and:

889           (a) Specify standard forms for reporting financial  
890 condition, results of operations and other relevant financial  
891 information.

892           (b) Formulate a uniform code of accounts and accounting  
893 classifications to assure consistency, comparability and effective  
894 disclosure of financial information.

895           (c) Prescribe the intervals at which such information  
896 shall be furnished. For this purpose the commission may classify  
897 licensees by size of operation.

898           **SECTION 27.** Section 75-76-49, Mississippi Code of 1972, is  
899 brought forward as follows:

900           75-76-49. (1) The commission shall by regulation require  
901 audits of the financial statements of all licensees whose annual  
902 gross revenue is Three Million Dollars (\$3,000,000.00) or more.

903           (2) The commission may require audits, compiled statements  
904 or reviews of the financial statements of licensees whose annual  
905 gross revenue is less than Three Million Dollars (\$3,000,000.00).

906           (3) The audits, compilations and reviews provided for in  
907 subsections (1) and (2) must be made by independent accountants

908 holding permits to practice public accounting in the State of  
909 Mississippi.

910 (4) Except as provided in subsection (5), for every audit  
911 required pursuant to this section:

912 (a) The independent accountants shall submit an audit  
913 report which must express an unqualified or qualified opinion or,  
914 if appropriate, disclaim an opinion on the statements taken as a  
915 whole in accordance with standards for the accounting profession  
916 established by rules and regulations of the Mississippi State  
917 Board of Public Accountancy, but the preparation of statement  
918 without audit does not constitute compliance.

919 (b) The examination and audit must disclose whether the  
920 accounts, records and control procedures maintained by the  
921 licensee are as required by the regulations promulgated by the  
922 commission.

923 (5) If the license of a licensee is terminated within three  
924 (3) months after the end of a period covered by an audit, the  
925 licensee may submit compiled statements in lieu of an additional  
926 audited statement for the licensee's final period of business.

927 (6) The licensee shall be responsible for the payment of  
928 costs or fees generated by any audit required by the commission.  
929 Failure to pay such costs and fees for such audit may result in  
930 the revocation of his license.

931 **SECTION 28.** Section 75-76-51, Mississippi Code of 1972, is  
932 brought forward as follows:

933 75-76-51. The commission shall adopt regulations which  
934 prescribe the manner in which winnings, compensation from games  
935 and gaming devices, and gross revenue must be computed and  
936 reported by the licensee.

937 **SECTION 29.** Section 75-76-53, Mississippi Code of 1972, is  
938 brought forward as follows:

939 75-76-53. (1) The commission may:

940           (a) Adopt regulations governing the sale or offering  
941 for sale of securities, by public or other offerings, or any  
942 affiliated company of a corporate licensee.

943           (b) Pursue any remedy or combination of remedies  
944 provided in this chapter for a violation of any regulation adopted  
945 pursuant to this section, but any such violation does not affect  
946 the validity of the securities issued.

947           (2) As used in this section, unless the context otherwise  
948 requires, "sale" means every contract of sale, contract to sell,  
949 disposition or transfer, whether or not for value. The term  
950 includes any exchange and any material change in the rights,  
951 preferences, privileges or restrictions of or on outstanding  
952 securities.

953           **SECTION 30.** Section 75-76-55, Mississippi Code of 1972, is  
954 brought forward as follows:

955           75-76-55. (1) It is unlawful for any person, either as  
956 owner, lessee or employee, whether for hire or not, either solely  
957 or in conjunction with others, without having first procured and  
958 thereafter maintaining in effect a state gaming license:

959           (a) To deal, operate, carry on, conduct, maintain or  
960 expose for play in the State of Mississippi any gambling game,  
961 including without limitation any gaming device, slot machine, race  
962 book, or sports pool;

963           (b) To provide or maintain any information service the  
964 primary purpose of which is to aid the placing or making of wagers  
965 on events of any kind; or

966           (c) To receive, directly or indirectly, any  
967 compensation or reward or any percentage or share of the money or  
968 property played, for keeping, running or carrying on any gambling  
969 game, including without limitation any slot machine, gaming  
970 device, race book or sports pool.

971           (2) It is unlawful for any person knowingly to permit any  
972 gambling game, including without limitation any slot machine,

973 gaming device, race book or sports pool to be conducted, operated,  
974 dealt or carried on in any house or building or other premises  
975 owned by him, in whole or in part, by a person who is not licensed  
976 pursuant to this chapter or by his employee.

977         **SECTION 31.** Section 75-76-57, Mississippi Code of 1972, is  
978 brought forward as follows:

979         75-76-57. (1) Except as otherwise provided in subsections  
980 (2) and (3) of this section, it is unlawful for any person to:

981                 (a) Lend, let, lease or otherwise deliver or furnish  
982 any equipment of any gambling game, including any slot machine,  
983 for any interest, percentage or share of the money or property  
984 played, under guise of any agreement whatever, without having  
985 first procured a state gaming license.

986                 (b) Lend, let, lease or otherwise deliver or furnish,  
987 except by a bona fide sale or capital lease, any slot machine  
988 under guise of any agreement whereby any consideration is paid or  
989 is payable for the right to possess or use that slot machine,  
990 whether the consideration is measured by a percentage of the  
991 revenue derived from the machine or by a fixed fee or otherwise,  
992 without having first procured a state gaming license.

993                 (c) Furnish services or property, real or personal, on  
994 the basis of a contract, lease or license, pursuant to which that  
995 person receives payments based on earnings or profits or otherwise  
996 from any gambling game without having first procured a state  
997 gaming license.

998         (2) The provisions of subsection (1) do not apply to any  
999 person:

1000                 (a) Whose payments are a fixed sum determined in  
1001 advance on a bona fide basis for the furnishing of services or  
1002 property.

1003                 (b) Who furnishes services or property under a bona  
1004 fide rental agreement or security agreement for gaming equipment.

1005                 (c) That is a wholly owned subsidiary of:

1006 (i) A corporation or limited partnership holding a  
1007 state gaming license; or

1008 (ii) A holding company or intermediary company, or  
1009 publicly traded corporation, that has registered pursuant to this  
1010 chapter and which has fully complied with the laws applicable to  
1011 it.

1012 (d) Who is licensed as a distributor and who rents or  
1013 leases any equipment of any gambling game under a bona fide  
1014 agreement where the payments are a fixed sum determined in advance  
1015 and not determined as a percentage of the revenue derived from the  
1016 equipment or slot machine.

1017 Receipts or rentals or charges for real property, personal  
1018 property or services do not lose their character as payments of a  
1019 fixed sum or as bona fide because of provisions in a contract,  
1020 lease or license for adjustments in charges, rentals or fees on  
1021 account of changes in taxes or assessments, escalations in the  
1022 cost-of-living index, expansions or improvement of facilities, or  
1023 changes in services supplied. Receipts of rentals or charges  
1024 based on percentage between a corporate licensee or a licensee who  
1025 is a limited partnership and the entities enumerated in paragraph  
1026 (c) are permitted under this subsection.

1027 (3) The commission may, upon issuance of its approval or a  
1028 finding of suitability, exempt a holding company from the  
1029 licensing requirements of subsection (1).

1030 (4) The executive director may require any person exempted  
1031 by the provisions of subsection (2) or paragraph (b) of subsection  
1032 (1) to provide such information as he may require to perform his  
1033 investigative duties.

1034 (5) The executive director may require a finding of  
1035 suitability, and the commission may require the licensing, of any  
1036 person who:

1037 (a) Owns any interest in the premises of a licensed  
1038 establishment or owns any interest in real property used by a



1039 licensed establishment whether he leases the property directly to  
1040 the licensee or through an intermediary.

1041 (b) Repairs, rebuilds or modifies any gaming device.

1042 (c) Manufactures or distributes chips or gaming tokens  
1043 for use in Mississippi.

1044 (6) If the commission finds a person described in subsection  
1045 (5) unsuitable, a licensee shall not enter into any contract or  
1046 agreement with that person without the prior approval of the  
1047 executive director. Any other agreement between the licensee and  
1048 that person must be terminated upon receipt of notice of the  
1049 action by the commission. Any agreement between a licensee and a  
1050 person described in subsection (5) shall be deemed to include a  
1051 provision for its termination without liability on the part of the  
1052 licensee upon a finding by the commission that the person is  
1053 unsuitable. Failure expressly to include that condition in the  
1054 agreement is not a defense in any action brought pursuant to this  
1055 section to terminate the agreement.

1056 **SECTION 32.** Section 75-76-59, Mississippi Code of 1972, is  
1057 brought forward as follows:

1058 75-76-59. (1) Pursuant to Section 2 of that certain Act of  
1059 the Congress of the United States entitled "An act to prohibit  
1060 transportation of gambling devices in interstate and foreign  
1061 commerce," approved January 2, 1951, being c. 1194, 64 Stat.  
1062 1134, and also designated as 15 USCS Sections 1171-1177, the State  
1063 of Mississippi, acting by and through the duly elected and  
1064 qualified members of its Legislature, does hereby in this section,  
1065 and in accordance with and in compliance with the provisions of  
1066 Section 2 of such Act of Congress, declare and proclaim that it is  
1067 exempt from the provisions of Section 2 of that certain Act of the  
1068 Congress of the United States entitled "An act to prohibit  
1069 transportation of gambling devices in interstate and foreign  
1070 commerce," approved January 2, 1951, being c. 1194, 64 Stat.  
1071 1134.

1072           (2) All shipments of gambling devices, including slot  
1073 machines, into this state, the registering, recording and labeling  
1074 of which has been duly had by the manufacturer or dealer thereof  
1075 in accordance with Sections 3 and 4 of that certain Act of the  
1076 Congress of the United States entitled "An act to prohibit  
1077 transportation of gambling devices in interstate and foreign  
1078 commerce," approved January 2, 1951, being c. 1194, 64 Stat.  
1079 1134, and also designated as 15 USCS Sections 1171-1177, shall be  
1080 deemed legal shipments thereof into this state.

1081           **SECTION 33.** Section 75-76-61, Mississippi Code of 1972, is  
1082 brought forward as follows:

1083           75-76-61. (1) Except for persons associated with licensed  
1084 corporations or limited partnerships and required to be licensed,  
1085 each employee, agent, guardian, personal representative, lender or  
1086 holder of indebtedness of a gaming licensee who, in the opinion of  
1087 the commission, has the power to exercise a significant influence  
1088 over the licensee's operation of a gaming establishment shall be  
1089 required to apply for a license.

1090           (2) A person required to be licensed pursuant to subsection  
1091 (1) of this section shall apply for a license within thirty (30)  
1092 days after the executive director requests that he do so.

1093           (3) If an employee required to be licensed under subsection  
1094 (1):

1095                   (a) Does not apply for a license within thirty (30)  
1096 days after being requested to do so by the executive director, and  
1097 the commission makes a finding of unsuitability for that reason,  
1098 or

1099                   (b) Is denied a license, or

1100                   (c) Has a license revoked by the commission,  
1101 the licensee by whom he is employed shall terminate his employment  
1102 in any capacity in which he is required to be licensed and shall  
1103 not permit him to exercise a significant influence over the

1104 operation of the gaming establishment upon being notified by  
1105 registered or certified mail of that action.

1106 (4) A gaming licensee or an affiliate of the licensee shall  
1107 not pay to a person whose employment has been terminated pursuant  
1108 to subsection (3) any remuneration for any service performed in  
1109 any capacity in which he is required to be licensed, except for  
1110 amounts due for services rendered before the date of receipt of  
1111 notice of the action by the commission. Any contract or agreement  
1112 for personal services or for the conduct of any activity at the  
1113 licensed gaming establishment between a gaming licensee or an  
1114 affiliate of the licensee and a person terminated pursuant to  
1115 subsection (3) is subject to termination. Every such agreement  
1116 shall be deemed to include a provision for its termination without  
1117 liability on the part of the licensee or registered holding  
1118 company upon a finding by the commission that the person is  
1119 unsuitable to be associated with a gaming enterprise. Failure  
1120 expressly to include that condition in the agreement is not a  
1121 defense in any action brought pursuant to this section to  
1122 terminate the agreement.

1123 (5) A gaming licensee or an affiliate of the licensee shall  
1124 not, without the prior approval of the executive director, enter  
1125 into any contract or agreement with a person who is found  
1126 unsuitable or who is denied a license or whose license is revoked  
1127 by the commission or with any business enterprise under the  
1128 control of that person after the date of receipt of notice of the  
1129 action by the commission. Every contract or agreement for  
1130 personal services to a gaming licensee or an affiliate or for the  
1131 conduct of any activity at a licensed gaming establishment shall  
1132 be deemed to include a provision for its termination without  
1133 liability on the part of the licensee or registered holding  
1134 company upon a finding by the commission that the person is  
1135 unsuitable to be associated with a gaming enterprise. Failure  
1136 expressly to include such a condition in the agreement is not a

1137 defense in any action brought pursuant to this section to  
1138 terminate the agreement.

1139 (6) Without prior approval of the executive director a  
1140 gaming licensee or an affiliate of the licensee shall not employ  
1141 any person in a capacity for which he is required to be licensed  
1142 if he has been found unsuitable, or has been denied a license, or  
1143 has had his license revoked by the commission, after the date of  
1144 receipt of notice of the action by the commission.

1145 (7) As used in this section, "affiliate" means a person who,  
1146 directly or indirectly through one or more intermediaries,  
1147 controls, is controlled by, or is under common control with, a  
1148 licensee.

1149 **SECTION 34.** Section 75-76-63, Mississippi Code of 1972, is  
1150 brought forward as follows:

1151 75-76-63. (1) The executive director may require a finding  
1152 of suitability, and the commission may require the licensing, of  
1153 any person who furnishes services or property to a gaming licensee  
1154 under any arrangement pursuant to which the person receives  
1155 payments based on earnings, profits or receipts from gaming. The  
1156 executive director may require any such person to comply with the  
1157 requirements of this chapter and with the regulations of the  
1158 commission. If the commission determines that any such person is  
1159 unsuitable, the executive director may require the arrangement to  
1160 be terminated.

1161 (2) If the premises of a licensed gaming establishment are  
1162 directly or indirectly owned or under the control of the licensee  
1163 therein, or of any person controlling, controlled by, or under  
1164 common control with the licensee, the executive director may  
1165 require the application of any person for a determination of  
1166 suitability to be associated with a gaming enterprise if the  
1167 person:

1168 (a) Does business on the premises of the licensed  
1169 gaming establishment;

1170 (b) Does business with the licensed gaming  
1171 establishment as a junket representative or ticket purveyor; or

1172 (c) Provides any goods or services to the licensed  
1173 gaming establishment for a compensation which the executive  
1174 director finds to be grossly disproportionate to the value of the  
1175 goods or services.

1176 (3) If the commission determines that the person is  
1177 unsuitable to be associated with a gaming enterprise, the  
1178 association must be terminated. Any agreement which entitles a  
1179 business other than gaming to be conducted on the premises, or  
1180 entitles a person to conduct business with the licensed gaming  
1181 establishment as set forth in paragraph (b) or (c) of subsection  
1182 (2) of this section, is subject to termination upon a finding of  
1183 unsuitability of the person associated therewith. Every such  
1184 agreement must be deemed to include a provision for its  
1185 termination without liability on the part of the licensee upon a  
1186 finding by the commission that the person associated therewith is  
1187 unsuitable to be associated with a gaming enterprise. Failure  
1188 expressly to include that condition in the agreement is not a  
1189 defense in any action brought pursuant to this section to  
1190 terminate the agreement.

1191 (4) If the application is not presented to the executive  
1192 director within thirty (30) days following demand or the  
1193 unsuitable association is not terminated, the executive director  
1194 may pursue any remedy or combination of remedies provided in this  
1195 chapter.

1196 **SECTION 35.** Section 75-76-65, Mississippi Code of 1972, is  
1197 brought forward as follows:

1198 75-76-65. (1) A person shall not receive any consideration,  
1199 direct or indirect, for conducting a tournament or contest in  
1200 which persons pay a fee for the privilege of participating and in  
1201 which prizes are awarded to winners, on behalf of or in  
1202 conjunction with a gaming licensee, unless he has registered with

1203 the executive director in the manner prescribed by the commission  
1204 and supplies such information as the executive director requires  
1205 or unless he is an officer or employee of the licensee.

1206 (2) Any person who conducts a tournament or contest on  
1207 behalf of or in conjunction with a gaming licensee may be required  
1208 by the commission to be licensed by it as well as registered with  
1209 the executive director. Any person so required must apply for a  
1210 license within thirty (30) days after the decision of the  
1211 commission requiring him to obtain a license.

1212 (3) If any person required to be licensed pursuant to  
1213 subsection (2) of this section:

1214 (a) Does not apply for a license within thirty (30)  
1215 days after the decision of the commission that he must be  
1216 licensed, and the commission finds him unsuitable for that reason;  
1217 or

1218 (b) Is denied a license,  
1219 the gaming licensee with whom he is associated shall terminate  
1220 that association upon notification from the commission by  
1221 registered or certified mail of its action.

1222 **SECTION 36.** Section 75-76-67, Mississippi Code of 1972, is  
1223 brought forward as follows:

1224 75-76-67. (1) Any person who the commission determines is  
1225 qualified to receive a license or be found suitable under the  
1226 provisions of this chapter, having due consideration for the  
1227 proper protection of the health, safety, morals, good order and  
1228 general welfare of the inhabitants of the State of Mississippi and  
1229 the declared policy of this state, may be issued a state gaming  
1230 license or found suitable. The burden of proving his  
1231 qualification to receive any license or be found suitable is on  
1232 the applicant.

1233 (2) An application to receive a license or be found suitable  
1234 shall not be granted unless the commission is satisfied that the  
1235 applicant is:

1236 (a) A person of good character, honesty and integrity;

1237 (b) A person whose prior activities, criminal record,  
1238 if any, reputation, habits and associations do not pose a threat  
1239 to the public interest of this state or to the effective  
1240 regulation and control of gaming, or create or enhance the dangers  
1241 of unsuitable, unfair or illegal practices, methods and activities  
1242 in the conduct of gaming or the carrying on of the business and  
1243 financial arrangements incidental thereto; and

1244 (c) In all other respects qualified to be licensed or  
1245 found suitable consistent with the declared laws of the state.

1246 (3) No person shall be granted a license or found suitable  
1247 under the provisions of this chapter who has been convicted of a  
1248 felony in any court of this state, another state, or the United  
1249 States; and no person shall be granted a license or found suitable  
1250 hereunder who has been convicted of a crime in any court of  
1251 another state or the United States which, if committed in this  
1252 state, would be a felony; and no person shall be granted a license  
1253 or found suitable under the provisions of this chapter who has  
1254 been convicted of a misdemeanor in any court of this state or of  
1255 another state, when such conviction was for gambling, sale of  
1256 alcoholic beverages to minors, prostitution, or procuring or  
1257 inducing individuals to engage in prostitution.

1258 (4) A license to operate a gaming establishment shall not be  
1259 granted unless the applicant has satisfied the commission that:

1260 (a) He has adequate business probity, competence and  
1261 experience, in gaming or generally; and

1262 (b) The proposed financing of the entire operation is:

1263 (i) Adequate for the nature of the proposed  
1264 operation; and

1265 (ii) From a suitable source. Any lender or other  
1266 source of money or credit which the commission finds does not meet  
1267 the standards set forth in subsection (2) may be deemed  
1268 unsuitable.

1269           (5) An application to receive a license or be found suitable  
1270 constitutes a request for a determination of the applicant's  
1271 general character, integrity and ability to participate or engage  
1272 in, or be associated with gaming. Any written or oral statement  
1273 made in the course of an official proceeding of the commission or  
1274 the executive director or any witness testifying under oath which  
1275 is relevant to the purpose of the proceeding is absolutely  
1276 privileged and does not impose liability for defamation or  
1277 constitute a ground for recovery in any civil action.

1278           (6) The commission may, in its discretion, grant a license  
1279 to a corporation which has complied with the provisions of this  
1280 chapter.

1281           (7) The commission may, in its discretion, grant a license  
1282 to a limited partnership which has complied with the provisions of  
1283 this chapter.

1284           (8) No limited partnership, except one whose sole limited  
1285 partner is a publicly traded corporation which has registered with  
1286 the commission, or business trust or organization or other  
1287 association of a quasi-corporate character is eligible to receive  
1288 or hold any license under this chapter unless all persons having  
1289 any direct or indirect interest therein of any nature whatsoever,  
1290 whether financial, administrative, policymaking or supervisory,  
1291 are individually qualified to be licensed under the provisions of  
1292 this chapter.

1293           (9) The commission may, by regulation, limit the number of  
1294 persons who may be financially interested and the nature of their  
1295 interest in any corporation or other organization or association  
1296 licensed under this chapter, and may establish such other  
1297 qualifications of licenses as the commission, in its discretion,  
1298 deems to be in the public interest and consistent with the  
1299 declared policy of the state.

1300           **SECTION 37.** Section 75-76-69, Mississippi Code of 1972, is  
1301 brought forward as follows:



1302           75-76-69. A person owning an interest in a gaming  
1303 establishment who is licensed or has been found suitable by the  
1304 commission does not have to requalify for a license or a finding  
1305 of suitability whenever he makes his interest the subject matter  
1306 of a revocable trust in which he retains the entire interest as  
1307 the sole beneficiary. The settlor of such a trust must file a  
1308 copy of the trust instrument or any amendment thereof with the  
1309 executive director before the transfer of the interest becomes  
1310 effective and before the effective date of any amendment.

1311           **SECTION 38.** Section 75-76-71, Mississippi Code of 1972, is  
1312 brought forward as follows:

1313           75-76-71. (1) A person who has had his application for a  
1314 gaming license denied or who has been found unsuitable by the  
1315 commission:

1316                   (a) Is not entitled to profit from his investment in a:

1317                           (i) Corporation other than a publicly traded  
1318 corporation as that term is defined in this chapter;

1319                           (ii) Partnership;

1320                           (iii) Limited partnership; or

1321                           (iv) Joint venture which has applied for or been  
1322 granted a license.

1323                   (b) Shall not retain his interest in a corporation,  
1324 partnership, limited partnership or joint venture beyond that  
1325 period prescribed by the commission.

1326                   (c) Shall not accept more for his interest in a  
1327 corporation, partnership, limited partnership or joint venture  
1328 than he paid for it or the market value on the date of the denial  
1329 of the license or the finding of unsuitability.

1330           (2) The executive director may proceed pursuant to this  
1331 chapter to enforce the provisions of subsection (1).

1332           **SECTION 39.** Section 75-76-73, Mississippi Code of 1972, is  
1333 brought forward as follows:

1334           75-76-73. (1) Application for a gaming license or other  
1335 commission action shall be made to the executive director on forms  
1336 furnished by the executive director and in accordance with the  
1337 regulations of the commission.

1338           (2) The application for a license shall include:

1339                 (a) The name of the proposed licensee.

1340                 (b) The location of his place or places of business.

1341                 (c) The gambling games, gaming devices or slot machines  
1342 to be operated.

1343                 (d) The names of all persons directly or indirectly  
1344 interested in the business and the nature of such interest.

1345                 (e) Such other information and details as the  
1346 commission or the executive director may require in order to  
1347 discharge their duties properly.

1348           (3) The executive director shall furnish to the applicant  
1349 supplemental forms which the applicant shall complete and file  
1350 with the application. Such supplemental forms shall require, but  
1351 shall not be limited to, complete information and details with  
1352 respect to the applicant's antecedents, habits, character,  
1353 criminal record, business activities, financial affairs and  
1354 business associates, covering at least a ten-year period  
1355 immediately preceding the date of filing of the application.

1356           **SECTION 40.** Section 75-76-75, Mississippi Code of 1972, is  
1357 brought forward as follows:

1358           75-76-75. (1) Provided that it files a complete application  
1359 pursuant to this chapter and pays all application fees by January  
1360 1, 1991, any cruise vessel lawfully operating pursuant to Chapter  
1361 109, Title 27, Mississippi Code of 1972, on July 1, 1990, may  
1362 continue to operate until the commission determines whether to  
1363 approve or deny the application under the provisions of this  
1364 chapter or regulations adopted by the commission.

1365           (2) Within a reasonable time after filing of an application  
1366 and such supplemental information as the commission or the

1367 executive director may require, the executive director shall  
1368 commence the investigation of the applicant and shall conduct such  
1369 proceedings in accordance with applicable regulations as the  
1370 commission may deem necessary.

1371 (3) If a person has applied for a position which cannot be  
1372 held pending licensure or approval by the commission, the  
1373 executive director shall use his best efforts to make a  
1374 recommendation to the commission concerning the application not  
1375 longer than nine (9) months after the application and supporting  
1376 data are completed and filed with the executive director. If  
1377 denial of the application is recommended, the executive director  
1378 shall prepare and file with the commission a written report of  
1379 reasons upon which the recommendation is based.

1380 (4) A recommendation of denial of an application is without  
1381 prejudice to a new and different application if made in conformity  
1382 to regulations applicable to such situations.

1383 **SECTION 41.** Section 75-76-77, Mississippi Code of 1972, is  
1384 brought forward as follows:

1385 75-76-77. (1) The executive director shall present his  
1386 recommendation upon an application to the commission at the next  
1387 meeting of the commission.

1388 (2) The commission may, after considering the recommendation  
1389 of the executive director, issue to the applicant named, as a  
1390 natural person, and to the licensed gaming establishment, as a  
1391 business entity, under the name or style therein designated, a  
1392 state gaming license, or may deny the same. The commission may  
1393 limit the license or place such conditions thereon as it may deem  
1394 necessary in the public interest. The commission may, if it  
1395 considers necessary, issue a probationary license. No state  
1396 gaming license may be assigned either in whole or in part.

1397 (3) After the issuance of the license, it shall continue in  
1398 effect upon proper payment of the state license fees and any other  
1399 fees, taxes and penalties, as required by law and the regulations

1400 of the commission, subject to the power of the commission to  
1401 revoke, suspend, condition or limit licenses.

1402 (4) The commission may further limit or place such  
1403 conditions as it may deem necessary in the public interest upon  
1404 any registration, finding of suitability or approval for which  
1405 application has been made.

1406 (5) After the executive director has made a recommendation  
1407 for denial of an application, the commission, after considering  
1408 the recommendation of the executive director, may:

1409 (a) Deny the application;

1410 (b) Remand the matter to the executive director for  
1411 such further investigation and reconsideration as the commission  
1412 may order; or

1413 (c) By unanimous vote of the members present, grant the  
1414 application for a license, registration, finding of suitability or  
1415 approval.

1416 (6) If the commission is not satisfied that an applicant  
1417 recommended by the executive director is qualified to be licensed  
1418 under this chapter, the commission may cause to be made such  
1419 investigation into and conduct such hearings concerning the  
1420 qualifications of the applicant in accordance with its regulations  
1421 as it may deem necessary.

1422 (7) If the commission desires further investigation be made  
1423 or desires to conduct any hearings, it shall, within thirty (30)  
1424 days after presentation of the recommendation of the executive  
1425 director, so notify the applicant and set a date for hearing.  
1426 Final action by the commission must be taken within one hundred  
1427 twenty (120) days after the recommendation of the executive  
1428 director has been presented to the commission. Failure of the  
1429 commission to take action within one hundred twenty (120) days  
1430 shall be deemed to constitute approval of the applicant by the  
1431 commission, and a license must be issued forthwith upon compliance  
1432 by the applicant.

1433           (8) The commission has full and absolute power and authority  
1434 to deny any application for any cause it deems reasonable. If an  
1435 application is denied, the commission shall prepare and file its  
1436 written decision upon which its order denying the application is  
1437 based.

1438           **SECTION 42.** Section 75-76-79, Mississippi Code of 1972, is  
1439 brought forward as follows:

1440           75-76-79. (1) (a) Except as otherwise provided in  
1441 paragraphs (b) and (c) of this subsection, it is unlawful for any  
1442 person, either as owner, lessee or employee, whether for hire or  
1443 not, to operate, carry on, conduct or maintain any form of  
1444 manufacture, selling or distribution of any gaming device for use  
1445 or play in Mississippi or for distribution outside of Mississippi  
1446 without first procuring and maintaining all required federal and  
1447 state licenses.

1448           (b) A lessor who specifically acquires equipment for a  
1449 capital lease is not required to be licensed under this section.

1450           (c) The holder of a state gaming license or the holding  
1451 company of a corporate licensee may, within two (2) years after  
1452 cessation of business or upon specific approval by the executive  
1453 director, dispose of by sale in a manner approved by the executive  
1454 director, any or all of its gaming devices, including slot  
1455 machines, without a distributor's license. In cases of bankruptcy  
1456 of a state gaming licensee or foreclosure of a lien by a bank or  
1457 other person holding a security interest for which gaming devices  
1458 are security in whole or in part for the lien, the executive  
1459 director may authorize the disposition of the gaming devices  
1460 without requiring a distributor's license.

1461           (d) Any person whom the commission determines is a  
1462 suitable person to receive a license under the provisions of this  
1463 section may be issued a manufacturer's or distributor's license.  
1464 The burden of proving his qualification to receive or hold a

1465 license under this section is at all times on the applicant or  
1466 licensee.

1467 (e) Every person who must be licensed pursuant to this  
1468 section is subject to the provisions of Sections 75-76-199 through  
1469 75-76-265, unless exempted from those provisions by the  
1470 commission.

1471 (f) The commission may exempt, for any purpose, a  
1472 manufacturer, seller or distributor from the provisions of  
1473 Sections 75-76-199 through 75-76-265, if the commission determines  
1474 that the exemption is consistent with the purposes of this  
1475 chapter.

1476 (g) As used in this section, "holding company" has the  
1477 meaning ascribed to it in Section 75-76-199.

1478 (2) If the commission determines that a manufacturer or  
1479 distributor is unsuitable to receive or hold a license:

1480 (a) No new gaming device or associated equipment  
1481 manufactured by the manufacturer or distributed by the distributor  
1482 may be approved;

1483 (b) Any previously approved device or associated  
1484 equipment manufactured by the manufacturer or distributed by the  
1485 distributor is subject to revocation of approval if the reasons  
1486 for the denial of the license also apply to that device or  
1487 associated equipment;

1488 (c) No new device or associated equipment manufactured  
1489 by the manufacturer or distributed by the distributor may be sold,  
1490 transferred or offered for use or play in Mississippi; and

1491 (d) Any association or agreement between the  
1492 manufacturer or distributor and a licensee must be terminated,  
1493 unless otherwise provided by the commission. An agreement between  
1494 such a manufacturer or distributor of gaming devices or associated  
1495 equipment and a licensee shall be deemed to include a provision  
1496 for its termination without liability on the part of the licensee  
1497 upon a finding by the commission that the manufacturer is

1498 unsuitable to be associated with a gaming enterprise. Failure to  
1499 include that condition in the agreement is not a defense in any  
1500 action brought pursuant to this section to terminate the  
1501 agreement.

1502 (3) Failure of a licensee to terminate any association or  
1503 agreement with a manufacturer or distributor of gaming devices or  
1504 associated equipment after receiving notice of a determination of  
1505 unsuitability, the denial of a license or failure to file a timely  
1506 application for a license, is an unsuitable method of operation.

1507 (4) There is hereby imposed and levied on each applicant for  
1508 a manufacturer's, seller's or distributor's license under this  
1509 section an annual license fee in the following amount:

1510 (a) For the issuance or continuation of a  
1511 manufacturer's license, One Thousand Dollars (\$1,000.00).

1512 (b) For the issuance or continuation of a seller's or  
1513 distributor's license, Five Hundred Dollars (\$500.00).

1514 This fee is to be paid by the applicant to the State Tax  
1515 Commission on or before the filing of the application for a  
1516 manufacturer's, seller's or distributor's license by the  
1517 applicant. Upon such payment the Chairman of the State Tax  
1518 Commission shall certify to the executive director that such fee  
1519 has been paid by the applicant.

1520 (5) A manufacturer or distributor of associated equipment  
1521 who sells, transfers or offers the associated equipment for use or  
1522 play in Mississippi may be required by the executive director to  
1523 file an application for a finding of suitability to be a  
1524 manufacturer or distributor of associated equipment.

1525 Any person who directly or indirectly involves himself in the  
1526 sale, transfer or offering for use or play in Mississippi of  
1527 associated equipment who is not otherwise required to be licensed  
1528 as a manufacturer or distributor may be required by the executive  
1529 director to file an application for a finding of suitability to be  
1530 a manufacturer or distributor of associated equipment.

1531           If an application for a finding of suitability is not  
1532 submitted within thirty (30) days after demand by the executive  
1533 director, he may pursue any remedy or combination of remedies  
1534 provided in this chapter.

1535           (6) The executive director and his employees may inspect  
1536 every gaming device which is manufactured, sold or distributed:

1537                 (a) For use in this state, before the gaming device is  
1538 put into play.

1539                 (b) In this state for use outside this state, before  
1540 the gaming device is shipped out of this state.

1541           The executive director may inspect every gaming device which  
1542 is offered for play within this state by a licensee.

1543           The executive director may inspect all associated equipment  
1544 which is manufactured, sold or distributed for use in this state  
1545 before the equipment is installed or used by a gaming licensee.

1546           In addition to all other fees and charges imposed by this  
1547 chapter, the executive director may determine an inspection fee  
1548 with regard to each manufacturer, seller or distributor which must  
1549 not exceed the actual cost of inspection and investigation. Upon  
1550 such determination, the executive director shall certify to the  
1551 Chairman of the State Tax Commission the amount of the inspection  
1552 fee and the name and address of the applicant. Upon such  
1553 certification the State Tax Commission shall proceed to assess and  
1554 collect such inspection fee from the applicant.

1555           **SECTION 43.** Section 75-76-81, Mississippi Code of 1972, is  
1556 brought forward as follows:

1557           75-76-81. The Chairman of the State Tax Commission shall  
1558 assess and collect all taxes, fees, licenses, interest, penalties,  
1559 damages and fines imposed by this chapter, and is hereby empowered  
1560 to promulgate rules and regulations to administer such  
1561 collections. Any records or other documents submitted by the  
1562 licensee, or on his behalf, to the Mississippi Gaming Commission  
1563 or executive director shall be made available to the Chairman of



1564 the State Tax Commission or his authorized agent upon written  
1565 request.

1566 The gross revenue fees levied by this chapter shall be due  
1567 and payable on or before the twentieth day of the month next  
1568 succeeding the month in which the fees accrue except as otherwise  
1569 provided. The licensee shall make a return showing the gross  
1570 revenue and compute the fee due for the period.

1571 All administrative provisions of the sales tax law, and  
1572 amendments thereto, including those which provide for collection  
1573 and administrative appeals procedures, fix damages, penalties and  
1574 interest for failure to comply with the provisions of said sales  
1575 tax law, and all other requirements and duties imposed upon any  
1576 licensee or taxpayer, shall apply to all persons liable for taxes,  
1577 fees and all other monies imposed under the provisions of this  
1578 chapter. However, fines or other assessments levied by the  
1579 Mississippi Gaming Commission or the executive director will not  
1580 be considered due and payable until thirty (30) days after final  
1581 determination of such fines or assessments. The Chairman of the  
1582 State Tax Commission shall exercise all power and authority and  
1583 perform all duties with respect to licensees or taxpayers under  
1584 this chapter as are provided in said sales tax law, except where  
1585 there is conflict, then the provisions of this chapter shall  
1586 control.

1587 The determination and/or assessment of any taxes, fees,  
1588 licenses, interest, penalties, damages and fines under this  
1589 chapter by the Chairman of the State Tax Commission, the Executive  
1590 Director of the Mississippi Gaming Commission or the Mississippi  
1591 Gaming Commission shall be prima facie correct.

1592 **SECTION 44.** Section 75-76-83, Mississippi Code of 1972, is  
1593 brought forward as follows:

1594 75-76-83. Any person aggrieved by the final order of the  
1595 State Tax Commission regarding any action taken by the Chairman of  
1596 the State Tax Commission and/or the State Tax Commission under the

1597 provisions of this chapter, including any person charged with any  
1598 tax, fee, interest, penalties and damages imposed by this chapter  
1599 and required to pay same, may appeal from such order to the  
1600 Chancery Court of Hinds County, Mississippi, or the chancery court  
1601 of his residence or principal place of business within this state.  
1602 Such appeal shall be taken within thirty (30) days after the  
1603 commission has entered the order appealed from. The appeal shall  
1604 be tried de novo by the court as a preferred case. The chancery  
1605 court, or Supreme Court of Mississippi on appeal to it, may, if it  
1606 be of the opinion from all the evidence that the assessment is  
1607 incorrect or in part invalid, or any other act or order of the  
1608 State Tax Commission is invalid, determine the amount of tax due  
1609 and/or decide all questions as to legality and enter such order or  
1610 judgment as it deems proper.

1611       **SECTION 45.** Section 75-76-85, Mississippi Code of 1972, is  
1612 brought forward as follows:

1613       75-76-85. (1) If satisfied that an applicant is eligible to  
1614 receive a state gaming, manufacturing, selling or distributing  
1615 license, and upon tender to the State Tax Commission of:

1616           (a) All license fees and taxes as required by law and  
1617 regulation of the Mississippi Gaming Commission; and

1618           (b) A bond executed by the applicant as principal, and  
1619 by a corporation qualified under the laws of this state as surety,  
1620 payable to the State of Mississippi, and conditioned upon the  
1621 payment of license fees, taxes, penalties, interest, fines and the  
1622 faithful performance of all requirements imposed by law or  
1623 regulation or the conditions of the license, the commission shall  
1624 issue and deliver to the applicant a license entitling him to  
1625 engage in the gaming, manufacturing, selling or distributing  
1626 operation for which he is licensed. The executive director shall  
1627 prepare and maintain a written record of the specific terms and  
1628 conditions of any license issued and delivered and of any

1629 modification to the license. A duplicate of the record must be  
1630 delivered to the applicant or licensee.

1631 (2) The Chairman of the State Tax Commission shall fix the  
1632 amount of the bond to be required under subsection (1). The bond  
1633 so furnished may be applied to the payment of any unpaid liability  
1634 of the licensee due to the State of Mississippi.

1635 (3) In lieu of a bond an applicant may deposit with the  
1636 commission a like amount of lawful money of the United States or  
1637 any other form of security authorized by the commission. If  
1638 security is provided in the form of a savings certificate,  
1639 certificate of deposit or investment certificate, the certificate  
1640 must state that the amount is unavailable for withdrawal except  
1641 upon order of the commission.

1642 (4) If the requirement for a bond is satisfied in:

1643 (a) Cash, the commission shall deposit the money in the  
1644 State Treasury for credit to the fund for bonds of state gaming  
1645 licensees which is hereby created as a special fund.

1646 (b) Any other authorized manner, the security must be  
1647 placed without restriction at the disposal of the commission, but  
1648 any income must inure to the benefit of the licensee.

1649 **SECTION 46.** Section 75-76-87, Mississippi Code of 1972, is  
1650 brought forward as follows:

1651 75-76-87. (1) Applications, returns and information  
1652 contained therein filed or furnished under this chapter shall be  
1653 confidential, and except in accordance with proper judicial order  
1654 or as otherwise authorized by this chapter, it shall be unlawful  
1655 for members of the State Tax Commission, the Mississippi Gaming  
1656 Commission or members of the Central Data Processing Authority, or  
1657 any former employee thereof to divulge or make known in any manner  
1658 the amount of income or any particulars set forth or disclosed on  
1659 any application, report or return required.

1660 The term "proper judicial order" as used in this chapter  
1661 shall not include subpoenas or subpoenas duces tecum but shall

1662 include only those orders entered by a court of record in this  
1663 state after furnishing notice and a hearing to the taxpayer and  
1664 the State Tax Commission. The court shall not authorize the  
1665 furnishing of such information unless it is satisfied that the  
1666 information is needed to pursue pending litigation wherein the  
1667 return itself is in issue, or the judge is satisfied that the need  
1668 for furnishing the information outweighs the rights of the  
1669 taxpayer to have such information secreted.

1670 (2) Such information contained on the application, returns  
1671 or reports from the licensee or the Mississippi Gaming Commission  
1672 may be furnished to: (a) members and employees of the State Tax  
1673 Commission and the income tax department thereof, for the purpose  
1674 of auditing, comparing and correcting returns; (b) the Attorney  
1675 General, or any other attorney representing the state in any  
1676 action in respect to the amount of tax under the provisions of  
1677 this chapter; (c) the Mississippi Gaming Commission; or (d) the  
1678 revenue department of the other states or the federal government  
1679 when said states or federal government grants a like comity to  
1680 Mississippi.

1681 (3) The State Auditor and the employees of his office shall  
1682 have the right to examine only such tax returns as are necessary  
1683 for auditing the State Tax Commission, or the Mississippi Gaming  
1684 Commission and the same prohibitions against disclosure which  
1685 apply to the State Tax Commission shall apply to the State Auditor  
1686 and his office.

1687 (4) Nothing in this section shall prohibit the Chairman of  
1688 the State Tax Commission from making available information  
1689 necessary to recover taxes, fees, fines or damages owing the state  
1690 pursuant to the authority granted in Section 27-75-16.

1691 **SECTION 47.** Section 75-76-89, Mississippi Code of 1972, is  
1692 brought forward as follows:

1693 75-76-89. (1) Except as otherwise provided in subsection  
1694 (3) of this section, all licenses issued to the same person,

1695 including a wholly owned subsidiary of that person, for the  
1696 operation of any game, including a sports pool or race book, which  
1697 authorize gaming at the same establishment must be merged into a  
1698 single gaming license. A gaming license may not be issued to any  
1699 person if the issuance would result in more than one licensed  
1700 operation at a single establishment, whether or not the profits or  
1701 revenue from gaming are shared between the licensed operations.

1702 (2) A person who has been issued a gaming license may  
1703 establish a sports pool or race book on the premises of the  
1704 establishment at which he conducts a gaming operation only after  
1705 obtaining permission from the executive director.

1706 **SECTION 48.** Section 75-76-91, Mississippi Code of 1972, is  
1707 brought forward as follows:

1708 75-76-91. (1) All licenses issued under the provisions of  
1709 this chapter must be posted by the licensee and kept posted at all  
1710 times in a conspicuous place in the establishment for which issued  
1711 until replaced by a succeeding license.

1712 (2) All licenses may be inspected by authorized state,  
1713 county and municipal officials.

1714 **SECTION 49.** Section 75-76-93, Mississippi Code of 1972, is  
1715 brought forward as follows:

1716 75-76-93. (1) Subject to the power of the commission to  
1717 deny, revoke, suspend, condition or limit licenses, any state  
1718 license in force may be continued by the commission upon proper  
1719 payment of state license fees and any other fees, taxes and  
1720 penalties as required by law and the regulations of the  
1721 commission.

1722 (2) All state license fees and fees required by law must be  
1723 paid to the State Tax Commission on or before the dates  
1724 respectively provided by law or regulation for each fee.

1725 (3) Any person failing to pay any state license fee or fees  
1726 due at the times respectively provided shall pay in addition to  
1727 such license fee or fees, a penalty of not less than Fifty Dollars

1728 (\$50.00) or twenty-five percent (25%) of the amount due, whichever  
1729 is the greater, but not more than One Thousand Dollars  
1730 (\$1,000.00), if the fees are less than ten (10) days late and in  
1731 no case in excess of Five Thousand Dollars (\$5,000.00). The  
1732 penalty must be collected as are other charges, license fees and  
1733 penalties under this chapter.

1734 (4) Any person who operates, carries on or exposes for play  
1735 any gambling game, gaming device or slot machine or who  
1736 manufactures, sells or distributes any gaming device, equipment,  
1737 material or machine used in gaming, after his license fee becomes  
1738 subject to payment, and thereafter fails to pay such fee as  
1739 provided in this section, is guilty of a misdemeanor and, in  
1740 addition to the penalties provided by law, is liable to the State  
1741 of Mississippi for all license fees, taxes and penalties which  
1742 would have been due for continuation of his license.

1743 (5) If any licensee or other person fails to pay his license  
1744 fee as provided in this section, the commission may order the  
1745 immediate closure of all his gaming activity until all necessary  
1746 fees, interest and penalties have been paid.

1747 **SECTION 50.** Section 75-76-95, Mississippi Code of 1972, is  
1748 brought forward as follows:

1749 75-76-95. (1) Every licensee shall at all times maintain on  
1750 file with the executive director a current report, verified by the  
1751 affidavit of the person or an officer of a corporation and every  
1752 stockholder thereof, to whom the license is issued, which shall  
1753 set forth such information as may be required by the regulations  
1754 of the commission.

1755 (2) With respect to each licensee, the commission shall  
1756 carefully review, not less frequently than once every three (3)  
1757 years, the information in the current report required under  
1758 subsection (1) to determine if there has been any substantial  
1759 change in the information provided in the application for the  
1760 initial license.

1761           **SECTION 51.** Section 75-76-97, Mississippi Code of 1972, is  
1762 brought forward as follows:

1763           75-76-97. It is unlawful for any person to sell, purchase,  
1764 lease, hypothecate, borrow or loan money, or create a voting trust  
1765 agreement or any other agreement of any sort to or with any  
1766 licensee in connection with any gaming operation licensed under  
1767 this chapter, or with respect to any portion of such gaming  
1768 operation, except in accordance with the regulations of the  
1769 commission.

1770           **SECTION 52.** Section 75-76-99, Mississippi Code of 1972, is  
1771 brought forward as follows:

1772           75-76-99. (1) Any person who operates or maintains in this  
1773 state any gaming device of a specific model, or which includes a  
1774 significant modification, which the executive director has not  
1775 approved for testing or for operation, is subject to disciplinary  
1776 action by the executive director or the commission.

1777           (2) The executive director shall maintain a list of approved  
1778 gaming devices.

1779           (3) The commission may adopt regulations relating to gaming  
1780 devices and their significant modification.

1781           **SECTION 53.** Section 75-76-101, Mississippi Code of 1972, is  
1782 brought forward as follows:

1783           75-76-101. (1) All gaming must be conducted with chips,  
1784 tokens or other instrumentalities approved by the executive  
1785 director or with the legal tender of the United States.

1786           (2) No licensee shall permit participation by a person in a  
1787 game conducted in the licensed gaming establishment if such person  
1788 is not physically present in the licensed gaming establishment  
1789 during the period of time when such game is being conducted, and  
1790 all games and the participation of patrons therein shall be  
1791 entirely located and conducted on the licensed premises.

1792           **SECTION 54.** Section 75-76-103, Mississippi Code of 1972, is  
1793 brought forward as follows:

1794 75-76-103. (1) The executive director shall make

1795 appropriate investigations:

1796 (a) To determine whether there has been any violation  
1797 of this chapter or of any regulations adopted thereunder.

1798 (b) To determine any facts, conditions, practices or  
1799 matters which it may deem necessary or proper to aid in the  
1800 enforcement of any such law or regulation.

1801 (c) To aid in adopting regulations.

1802 (d) To secure information as a basis for recommending  
1803 legislation relating to this chapter.

1804 (2) If after any investigation the executive director is  
1805 satisfied that a license, registration, finding of suitability, or  
1806 prior approval by the commission of any transaction for which  
1807 approval was required or permitted under the provisions of this  
1808 chapter should be limited, conditioned, suspended or revoked, he  
1809 shall initiate a hearing by filing a complaint with the commission  
1810 and transmit therewith a summary of evidence in his possession  
1811 bearing on the matter and the transcript of testimony at any  
1812 investigative hearing conducted by or on behalf of the executive  
1813 director to the licensee.

1814 (3) Upon receipt of the complaint of the executive director,  
1815 the commission shall review all matter presented in support  
1816 thereof and shall appoint a hearing examiner to conduct further  
1817 proceedings.

1818 (4) After such proceedings as may be required by this  
1819 chapter the hearing examiner may recommend that the commission  
1820 take any or all of the following actions:

1821 (a) Limit, condition, suspend or revoke the license of  
1822 any licensed gaming establishment or the individual license of any  
1823 licensee without affecting the license of the establishment;

1824 (b) Limit, condition, suspend or revoke any  
1825 registration, finding of suitability, or prior approval given or  
1826 granted to any applicant by the commission;



1827           (c) Order a licensed gaming establishment to keep an  
1828 individual licensee from the premises of the licensed gaming  
1829 establishment or not to pay the licensee any remuneration for  
1830 services or any profits, income or accruals on his investment in  
1831 the licensed gaming establishment; and

1832           (d) Fine each person or entity or both, who was  
1833 licensed, registered or found suitable or who previously obtained  
1834 approval for any act or transaction for which commission approval  
1835 was required or permitted, not more than One Hundred Thousand  
1836 Dollars (\$100,000.00) for each separate violation of the  
1837 provisions of this chapter or of the regulations of the commission  
1838 which is the subject of an initial complaint and not more than Two  
1839 Hundred Fifty Thousand Dollars (\$250,000.00) for each separate  
1840 violation of the provisions of this chapter or of the regulations  
1841 of the commission which is the subject of any subsequent  
1842 complaint.

1843           (5) The hearing examiner shall prepare a written decision  
1844 containing his recommendation to the commission and shall serve it  
1845 on all parties. Any party that disagrees with the hearing  
1846 examiner's recommendation may ask the commission to review the  
1847 recommendation within ten (10) days of service of the  
1848 recommendation. The commission may hold a hearing to consider the  
1849 recommendation whether there has been a request to review the  
1850 recommendation or not.

1851           (6) If the commission decides to review the recommendation,  
1852 it shall give notice of that fact to all parties within thirty  
1853 (30) days of the recommendation and shall schedule a hearing to  
1854 review the recommendation. The commission's review shall be de  
1855 novo but shall be based upon the evidence presented before the  
1856 hearing examiner. The commission may remand the case to the  
1857 hearing examiner for the presentation of additional evidence upon  
1858 a showing of good cause why the evidence could not have been  
1859 presented at the previous hearing.

1860 (7) If the commission decides not to review the  
1861 recommendation within thirty (30) days, the recommendation becomes  
1862 the final order of the commission.

1863 (8) If the commission limits, conditions, suspends or  
1864 revokes any license or imposes a fine, or limits, conditions,  
1865 suspends or revokes any registration, finding of suitability, or  
1866 prior approval, it shall issue its written order therefor after  
1867 causing to be prepared and filed the hearing examiner's written  
1868 decision upon which the order is based.

1869 (9) Any such limitation, condition, revocation, suspension  
1870 or fine so made is effective until reversed upon judicial review,  
1871 except that the commission may stay its order pending a rehearing  
1872 or judicial review upon such terms and conditions as it deems  
1873 proper.

1874 (10) Judicial review of any such order or decision of the  
1875 commission may be had in accordance with the provisions of this  
1876 chapter.

1877 (11) A license or finding of suitability for any individual  
1878 is automatically revoked if such person is convicted of a felony  
1879 in any court of this state, another state, or the United States or  
1880 if such person is convicted of a crime in any court of another  
1881 state or the United States which, if committed in this state,  
1882 would be a felony. Any appeal from such conviction shall not act  
1883 as a supersedeas to the revocation required by this subsection.

1884 **SECTION 55.** Section 75-76-105, Mississippi Code of 1972, is  
1885 brought forward as follows:

1886 75-76-105. The commission may issue an emergency order for  
1887 suspension, limitation or conditioning of a license, registration,  
1888 or finding of suitability or may issue an emergency order  
1889 requiring a licensed gaming establishment to keep an individual  
1890 licensee from the premises of the licensed gaming establishment or  
1891 not to pay such licensee any remuneration for services or any

1892 profits, income or accruals on his investment in the licensed  
1893 gaming establishment in the following manner:

1894 (a) An emergency order may be issued only when the  
1895 commission believes that:

1896 (i) Any person has willfully failed to report, pay  
1897 or truthfully account for and pay over any license fee or tax  
1898 imposed by the provisions of this chapter or willfully attempted  
1899 in any manner to evade or defeat any such license fee, tax or  
1900 payment thereof;

1901 (ii) Any person has cheated at any gambling game;

1902 (iii) There has been a violation of subsection (1)  
1903 of Section 75-76-57;

1904 (iv) Such action is necessary for the immediate  
1905 preservation of the public peace, health, safety, morals, good  
1906 order or general welfare.

1907 (b) The emergency order must set forth the grounds upon  
1908 which it is issued, including a statement of facts constituting  
1909 the alleged emergency necessitating such action.

1910 (c) An emergency order may be issued only with the  
1911 approval of and upon signature by not less than two (2) members of  
1912 the commission.

1913 (d) The emergency order is effective immediately upon  
1914 issuance and service upon the licensee or resident agent of the  
1915 licensee or, in cases involving registration or findings of  
1916 suitability, upon issuance and service upon the person or entity  
1917 involved or resident agent of the entity involved. The emergency  
1918 order may suspend, limit, condition or take other action in  
1919 relation to the license of one or more persons in an operation  
1920 without affecting other individual licensees or the licensed  
1921 gaming establishment. The emergency order remains effective until  
1922 further order of the commission or final disposition of the case.

1923 (e) Within five (5) days after issuance of an emergency  
1924 order, the executive director shall cause a complaint to be filed

1925 and served upon the person or entity involved. Thereafter, the  
1926 person or entity against whom the emergency order has been issued  
1927 and served is entitled to a hearing before the commission and to  
1928 judicial review of the decision and order of the commission  
1929 thereon.

1930 **SECTION 56.** Section 75-76-107, Mississippi Code of 1972, is  
1931 brought forward as follows:

1932 75-76-107. (1) The complaint referred to in this chapter  
1933 must be a written statement of charges which must set forth in  
1934 ordinary and concise language the acts or omissions with which the  
1935 respondent is charged. It must specify the statutes and  
1936 regulations which the respondent is alleged to have violated but  
1937 shall not consist merely of charges raised in the language of the  
1938 statutes or regulations.

1939 (2) Upon the filing of the complaint, the executive director  
1940 shall serve a copy of the complaint upon the respondent either  
1941 personally or by registered or certified mail at his address on  
1942 file with the executive director.

1943 (3) Except as provided in subsection (4) of this section,  
1944 the respondent must answer within twenty (20) days after the  
1945 service of the complaint. In his answer the respondent:

1946 (a) Must state in short and plain terms his defenses to  
1947 each claim asserted.

1948 (b) Must admit or deny the facts alleged in the  
1949 complaint.

1950 (c) Must state with respect to which allegations he is  
1951 without such knowledge or information as to form a belief  
1952 concerning their truth. Such allegations shall be deemed denied.

1953 (d) Must affirmatively set forth any matter which  
1954 constitutes an avoidance or affirmative defense.

1955 (e) May demand a hearing. Failure to demand a hearing  
1956 constitutes a waiver of the right to a hearing and to judicial  
1957 review of any decision or order of the commission, but the

1958 commission may order a hearing even if the respondent so waives  
1959 his right.

1960 (4) Failure to answer or to appear at the hearing  
1961 constitutes an admission by the respondent of all facts alleged in  
1962 the complaint. The commission may take action based on such an  
1963 admission and on other evidence without further notice to the  
1964 respondent. If the commission takes action based on such an  
1965 admission, it shall include in the record which evidence was the  
1966 basis for the action.

1967 (5) The commission shall determine the time and place of the  
1968 hearing as soon as is reasonably practical after receiving the  
1969 respondent's answer. The executive director shall deliver or send  
1970 by registered or certified mail a notice of hearing to all parties  
1971 at least ten (10) days before the hearing.

1972 **SECTION 57.** Section 75-75-109, Mississippi Code of 1972, is  
1973 brought forward as follows:

1974 75-75-109. The commission may appoint and remove at  
1975 pleasure, such number of inspectors of athletics as in its  
1976 judgment is necessary to aid in the proper discharge of its  
1977 duties. Compensation may be paid an inspector as the commission  
1978 may determine, but he shall be paid, when ordered to attend a  
1979 match or exhibition, his actual traveling expenses in the same way  
1980 and manner as expenses of members of the commission are paid. It  
1981 shall be the duty of the commission, either by one of its members  
1982 or by a duly appointed inspector, to attend every boxing,  
1983 wrestling or sparring match or exhibition held in the State of  
1984 Mississippi. The commission may appoint and remove at pleasure, a  
1985 secretary to the commission, who shall perform such duties as the  
1986 commission may prescribe, and who shall keep a full, complete and  
1987 up-to-date record of all proceedings of said commission, including  
1988 all licenses and all sums collected, and make a report thereof to  
1989 the State Auditor annually, on or before the fifteenth day of  
1990 January in each year.

1991           **SECTION 58.** Section 75-76-111, Mississippi Code of 1972, is  
1992 brought forward as follows:

1993           75-76-111. (1) At all hearings before a hearing examiner  
1994 other than investigative hearings:

1995                   (a) Oral evidence may be taken only upon oath or  
1996 affirmation administered by the hearing examiner.

1997                   (b) Every party has the right to:

1998                           (i) Call and examine witnesses;

1999                           (ii) Introduce exhibits relevant to the issues of  
2000 the case, including the transcript of testimony at any  
2001 investigative hearing conducted by or on behalf of the commission  
2002 or the executive director;

2003                           (iii) Cross-examine opposing witnesses on any  
2004 matters relevant to the issues of the case, even though the matter  
2005 was not covered in a direct examination;

2006                           (iv) Impeach any witness regardless of which party  
2007 first called him to testify; and

2008                           (v) Offer rebuttal evidence.

2009                   (c) If the respondent does not testify in his own  
2010 behalf, he may be called and examined as if under  
2011 cross-examination.

2012                   (d) The hearing need not be conducted according to  
2013 technical rules relating to evidence and witnesses. Any relevant  
2014 evidence may be admitted and is sufficient in itself to support a  
2015 finding if it is the sort of evidence on which responsible persons  
2016 are accustomed to rely in the conduct of serious affairs,  
2017 regardless of the existence of any common law or statutory rule  
2018 which might make improper the admission of such evidence over  
2019 objection in a civil action.

2020                   (e) The parties or their counsel may by written  
2021 stipulation agree that certain specified evidence may be admitted  
2022 even though such evidence might otherwise be subject to objection.

2023           (2) The hearing examiner may take official notice of any  
2024 generally accepted information or technical or scientific matter  
2025 within the field of gaming and of any other fact which may be  
2026 judicially noticed by the courts of this state. The parties must  
2027 be informed of any information, matters or facts so noticed and  
2028 must be given a reasonable opportunity, on request, to refute such  
2029 information, matters or facts by evidence or by written or oral  
2030 presentation of authorities, the manner of such refutation to be  
2031 determined by the commission.

2032           (3) Affidavits may be received in evidence at any hearing in  
2033 accordance with the following:

2034           (a) The party wishing to use an affidavit must, not  
2035 less than ten (10) days before the day set for hearing, serve upon  
2036 the opposing party or counsel, either personally or by registered  
2037 or certified mail, a copy of the affidavit which he proposes to  
2038 introduce in evidence together with a notice as provided in  
2039 paragraph (c) of this subsection.

2040           (b) Unless the opposing party, within seven (7) days  
2041 after such service, mails or delivers to the proponent a request  
2042 to cross-examine the affiant, his right to cross-examine the  
2043 affiant is waived, and the affidavit, if introduced in evidence,  
2044 must be given the same effect as if the affiant had testified  
2045 orally. If an opportunity to cross-examine an affiant is not  
2046 afforded after request therefor is made in accordance with this  
2047 paragraph, the affidavit may be introduced in evidence but must be  
2048 given only the same effect as other hearsay evidence.

2049           (c) The notice referred to in paragraph (a) must be  
2050 substantially in the following form:

2051           The accompanying affidavit of (here insert name of affiant)  
2052 will be introduced as evidence at the hearing set for the \_\_\_\_\_  
2053 day of \_\_\_\_\_, 2\_\_\_\_\_. (Here insert name of affiant) will  
2054 not be called to testify orally, and you will not be entitled to  
2055 question him unless you notify the undersigned that you wish to

2056 cross-examine him. To be effective your request must be mailed or  
2057 delivered to the undersigned on or before seven (7) days from the  
2058 date this notice and the enclosed affidavit are served upon you.

2059

2060 \_\_\_\_\_  
(Party or Counsel)

\_\_\_\_\_  
Address

2061 **SECTION 59.** Section 75-76-113, Mississippi Code of 1972, is  
2062 brought forward as follows:

2063 75-76-113. The proceedings at the hearing must be reported  
2064 either stenographically or by a phonographic reporter.

2065 **SECTION 60.** Section 75-76-115, Mississippi Code of 1972, is  
2066 brought forward as follows:

2067 75-76-115. The hearing examiner or the commission may permit  
2068 the filing of amended or supplemental pleadings and shall notify  
2069 all parties thereof and provide a reasonable opportunity for  
2070 objections thereto.

2071 **SECTION 61.** Section 75-76-117, Mississippi Code of 1972, is  
2072 brought forward as follows:

2073 75-76-117. If any person in proceedings before the hearing  
2074 examiner or the commission disobeys or resists any lawful order,  
2075 or refuses to respond to a subpoena, or refuses to take the oath  
2076 or affirmation as a witness, or thereafter refuses to be examined,  
2077 or is guilty of misconduct during the hearing or so near the place  
2078 thereof as to obstruct the proceeding, the commission may certify  
2079 the facts to the circuit court in and for the county where the  
2080 proceedings are held. The court shall thereupon issue an order  
2081 directing the person to appear before the court and show cause why  
2082 he should not be punished as for contempt. The court order and a  
2083 copy of the statement of the commission must be served on the  
2084 person cited to appear. Thereafter the court has jurisdiction of  
2085 the matter, and the same proceedings must be had, the same  
2086 penalties may be imposed and the person charged may purge himself  
2087 of the contempt in the same way as in the case of a person who has



2088 committed a contempt in the trial of a civil action before a  
2089 circuit court.

2090         **SECTION 62.** Section 75-76-119, Mississippi Code of 1972, is  
2091 brought forward as follows:

2092         75-76-119. (1) After the hearing of a contested matter, the  
2093 hearing examiner shall render a written decision on the merits  
2094 which must contain findings of fact, a determination of the issues  
2095 presented, and recommendation regarding the penalty to be imposed,  
2096 if any. Copies of the decision and recommendation must be served  
2097 on the parties personally or sent to them by registered or  
2098 certified mail.

2099         (2) The commission may, upon motion made within ten (10)  
2100 days after service of a hearing examiner's decision and  
2101 recommendation, or upon its own motion within thirty (30) days of  
2102 the date of the decision and recommendation, order a hearing  
2103 before the commission upon such terms and conditions as it may  
2104 deem just and proper to review the decision and recommendation.  
2105 After hearing, the commission may reverse, modify or affirm the  
2106 hearing examiner's decision. If the commission decides not to  
2107 review the hearing examiner's decision and recommendation within  
2108 thirty (30) days of the hearing examiner's decision, that decision  
2109 shall become the final order of the commission.

2110         **SECTION 63.** Section 75-76-121, Mississippi Code of 1972, is  
2111 brought forward as follows:

2112         75-76-121. (1) Any person aggrieved by a final decision or  
2113 order of the commission may obtain a judicial review thereof in  
2114 the circuit court of the county in which the petitioner resides or  
2115 has his or its principal place of business.

2116         (2) The judicial review must be instituted by filing a  
2117 petition within twenty (20) days after the effective date of the  
2118 final decision or order. A petition may not be filed while a  
2119 petition for rehearing or a rehearing is pending before the  
2120 commission. The petition must set forth the order or decision

2121 appealed from and the grounds or reasons why petitioner contends a  
2122 reversal or modification should be ordered.

2123 (3) Copies of the petition must be served upon the executive  
2124 director and all other parties of record, or their counsel of  
2125 record, either personally or by certified mail.

2126 (4) The court, upon a proper showing, may permit other  
2127 interested persons to intervene as parties to the appeal or as  
2128 friends of the court.

2129 (5) The filing of the petition does not stay enforcement of  
2130 the decision or order of the commission, but the commission itself  
2131 may grant a stay upon such terms and conditions as it deems  
2132 proper.

2133 **SECTION 64.** Section 75-76-123, Mississippi Code of 1972, is  
2134 brought forward as follows:

2135 75-76-123. (1) Upon written request of petitioner and upon  
2136 payment of such reasonable costs and fees as the commission may  
2137 prescribe, the complete record on review, or such parts thereof as  
2138 are designated by the petitioner, must be prepared by the  
2139 commission.

2140 (2) The complete record on review must include copies of:

- 2141 (a) All pleadings in the case;
- 2142 (b) All notices and interim orders issued by the  
2143 hearing examiner or the commission in connection with the case;
- 2144 (c) All stipulations;
- 2145 (d) The decision and order appealed from;
- 2146 (e) A transcript of all testimony, evidence and  
2147 proceedings at the hearing;
- 2148 (f) The exhibits admitted or rejected; and
- 2149 (g) Any other papers in the case.

2150 The record on review may be shortened by stipulation of all  
2151 parties to the review proceedings.

2152 (3) The record on review must be filed with the reviewing  
2153 court within thirty (30) days after service of the petition for

2154 review, but the court may allow the commission additional time to  
2155 prepare and transmit the record on review.

2156         **SECTION 65.** Section 75-76-125, Mississippi Code of 1972, is  
2157 brought forward as follows:

2158         75-76-125. (1) The reviewing court may, upon motion  
2159 therefor, order that additional evidence in the case be taken by  
2160 the commission upon such terms and conditions as the court may  
2161 deem just and proper. The motion must not be granted except upon  
2162 a showing that the additional evidence is material and necessary  
2163 and that sufficient reason existed for failure to present the  
2164 evidence before the hearing examiner or the commission. The  
2165 motion must be supported by an affidavit of the moving party or  
2166 his counsel showing with particularity the materiality and  
2167 necessity of the additional evidence and the reason why it was not  
2168 introduced in the administrative hearing. Rebuttal evidence to  
2169 the additional evidence must be permitted. In cases in which  
2170 additional evidence is presented, the commission may modify its  
2171 decisions and orders as the additional evidence may warrant and  
2172 shall file with the reviewing court a transcript of the additional  
2173 evidence together with any modifications of the decision and  
2174 order, all of which become a part of the record on review.

2175         (2) The review must be conducted by the court sitting  
2176 without a jury, and must not be a trial de novo but is confined to  
2177 the record on review.

2178         (3) The reviewing court may affirm the decision and order of  
2179 the commission, or it may remand the case for further proceedings  
2180 or reverse the decision if the substantial rights of the  
2181 petitioner have been prejudiced because the decision is:

- 2182             (a) In violation of constitutional provisions;
- 2183             (b) In excess of the statutory authority or  
2184 jurisdiction of the commission;
- 2185             (c) Made upon unlawful procedure;
- 2186             (d) Unsupported by any evidence; or

2187 (e) Arbitrary or capricious or otherwise not in  
2188 accordance with law.

2189 **SECTION 66.** Section 75-76-127, Mississippi Code of 1972, is  
2190 brought forward as follows:

2191 75-76-127. (1) Any party aggrieved by the final decision in  
2192 the circuit court after a review of the decision and order of the  
2193 commission may appeal to the Supreme Court in the manner and  
2194 within the time provided by law for appeals in civil cases. The  
2195 Supreme Court shall follow the same procedure thereafter as in  
2196 appeals in civil actions and may affirm, reverse or modify the  
2197 decision as the record and law warrant.

2198 (2) The judicial review by the circuit and Supreme Courts  
2199 afforded in this chapter is the exclusive method of review of the  
2200 commission's actions, decisions and orders in disciplinary  
2201 hearings. Judicial review is not available for actions, decisions  
2202 and orders of the commission relating to the denial of a license  
2203 or to limited or conditional licenses. Extraordinary common law  
2204 writs or equitable proceedings are available except where  
2205 statutory judicial review is made exclusive or is precluded or  
2206 where the use of those writs or proceedings is precluded by  
2207 specific statute.

2208 **SECTION 67.** Section 75-76-129, Mississippi Code of 1972, is  
2209 brought forward as follows:

2210 **[Through June 30, 2022, this section shall read as follows:]**

2211 75-76-129. On or before the last day of each month all  
2212 taxes, fees, interest, penalties, damages, fines or other monies  
2213 collected by the State Tax Commission during that month under the  
2214 provisions of this chapter, with the exception of (a) the local  
2215 government fees imposed under Section 75-76-195, and (b) an amount  
2216 equal to Three Million Dollars (\$3,000,000.00) of the revenue  
2217 collected pursuant to the fee imposed under Section  
2218 75-76-177(1)(c), or an amount equal to twenty-five percent (25%)  
2219 of the revenue collected pursuant to the fee imposed under Section

2220 75-76-177(1)(c), whichever is the greater amount, shall be paid by  
2221 the State Tax Commission to the State Treasurer to be deposited in  
2222 the State General Fund. The local government fees shall be  
2223 distributed by the State Tax Commission pursuant to Section  
2224 75-76-197. An amount equal to Three Million Dollars  
2225 (\$3,000,000.00) of the revenue collected during that month  
2226 pursuant to the fee imposed under Section 75-76-177(1)(c) shall be  
2227 deposited by the State Tax Commission into the bond sinking fund  
2228 created in Section 65-39-3. The revenue collected during that  
2229 month pursuant to the fee imposed under Section 75-76-177(1)(c)  
2230 that is in excess of Three Million Dollars (\$3,000,000.00), but is  
2231 less than twenty-five percent (25%) of the amount of revenue  
2232 collected during that month, shall be deposited into the State  
2233 Highway Fund to be used exclusively for the reconstruction and  
2234 maintenance of highways of the State of Mississippi.

2235 **[From and after July 1, 2022, this section shall read as**  
2236 **follows:]**

2237 75-76-129. On or before the last day of each month, all  
2238 taxes, fees, interest, penalties, damages, fines or other monies  
2239 collected by the State Tax Commission during that month under the  
2240 provisions of this chapter, with the exception of the local  
2241 government fees imposed under Section 75-76-195, shall be paid by  
2242 the State Tax Commission to the State Treasurer to be deposited in  
2243 the State General Fund. The local government fees shall be  
2244 distributed by the State Tax Commission pursuant to Section  
2245 75-76-197.

2246 **SECTION 68.** Section 75-76-131, Mississippi Code of 1972, is  
2247 brought forward as follows:

2248 75-76-131. (1) The executive director shall:

2249 (a) Ascertain and keep himself informed of the  
2250 identity, prior activities and present location of all gaming  
2251 employees in the State of Mississippi; and

2252 (b) Maintain confidential records of such information.

2253           (2) No person may be employed as a gaming employee unless he  
2254 is the holder of a work permit issued by the commission.

2255           (3) A work permit issued to a gaming employee must have  
2256 clearly imprinted thereon a statement that it is valid for gaming  
2257 purposes only.

2258           (4) Application for a work permit is to be made to the  
2259 executive director and may be granted or denied for any cause  
2260 deemed reasonable by the commission. Whenever the executive  
2261 director denies such an application, he shall include in the  
2262 notice of the denial a statement of the facts upon which he relied  
2263 in denying the application.

2264           (5) Any person whose application for a work permit has been  
2265 denied by the executive director may, not later than sixty (60)  
2266 days after receiving notice of the denial or objection, apply to  
2267 the commission for a hearing before a hearing examiner. A failure  
2268 of a person whose application has been denied to apply for a  
2269 hearing within sixty (60) days or his failure to appear at a  
2270 hearing conducted pursuant to this section shall be deemed to be  
2271 an admission that the denial or objection is well founded and  
2272 precludes administrative or judicial review. At the hearing, the  
2273 hearing examiner appointed by the commission shall take any  
2274 testimony deemed necessary. After the hearing the hearing  
2275 examiner shall within thirty (30) days after the date of the  
2276 hearing announce his decision sustaining or reversing the denial  
2277 of the work permit or the objection to the issuance of a work  
2278 permit. The executive director may refuse to issue a work permit  
2279 if the applicant has:

2280           (a) Failed to disclose, misstated or otherwise  
2281 attempted to mislead the commission with respect to any material  
2282 fact contained in the application for the issuance or renewal of a  
2283 work permit;

2284           (b) Knowingly failed to comply with the provisions of  
2285 this chapter or the regulations of the commission at a place of  
2286 previous employment;

2287           (c) Committed, attempted or conspired to commit any  
2288 crime of moral turpitude, embezzlement or larceny or any violation  
2289 of any law pertaining to gaming, or any crime which is inimical to  
2290 the declared policy of this state concerning gaming;

2291           (d) Been identified in the published reports of any  
2292 federal or state legislative or executive body as being a member  
2293 or associate of organized crime, or as being of notorious and  
2294 unsavory reputation;

2295           (e) Been placed and remains in the constructive custody  
2296 of any federal, state or municipal law enforcement authority;

2297           (f) Had a work permit revoked or committed any act  
2298 which is a ground for the revocation of a work permit or would  
2299 have been a ground for revoking his work permit if he had then  
2300 held a work permit; or

2301           (g) For any other reasonable cause.

2302           The executive director shall refuse to issue a work permit if  
2303 the applicant has committed, attempted or conspired to commit a  
2304 crime which is a felony in this state or an offense in another  
2305 state or jurisdiction which would be a felony if committed in this  
2306 state.

2307           (6) Any applicant aggrieved by the decision of the hearing  
2308 examiner may, within fifteen (15) days after the announcement of  
2309 the decision, apply in writing to the commission for review of the  
2310 decision. Review is limited to the record of the proceedings  
2311 before the hearing examiner. The commission may sustain or  
2312 reverse the hearing examiner's decision. The commission may  
2313 decline to review the hearing examiner's decision, in which case  
2314 the hearing examiner's decision becomes the final decision of the  
2315 commission. The decision of the commission is subject to judicial  
2316 review.

2317           (7) All records acquired or compiled by the commission  
2318 relating to any application made pursuant to this section and all  
2319 lists of persons to whom work permits have been issued or denied  
2320 and all records of the names or identity of persons engaged in the  
2321 gaming industry in this state are confidential and must not be  
2322 disclosed except in the proper administration of this chapter or  
2323 to an authorized law enforcement agency. Any record of the  
2324 commission which shows that the applicant has been convicted of a  
2325 crime in another state must show whether the crime was a  
2326 misdemeanor, gross misdemeanor, felony or other class of crime as  
2327 classified by the state in which the crime was committed. In a  
2328 disclosure of the conviction, reference to the classification of  
2329 the crime must be based on the classification in the state where  
2330 it was committed.

2331           (8) A work permit expires unless renewed within ten (10)  
2332 days after a change of place of employment or if the holder  
2333 thereof is not employed as a gaming employee within the  
2334 jurisdiction of the issuing authority for more than ninety (90)  
2335 days.

2336           (9) Notice of any objection to or denial of a work permit by  
2337 the executive director as provided pursuant to this section is  
2338 sufficient if it is mailed to the applicant's last known address  
2339 as indicated on the application for a work permit. The date of  
2340 mailing may be proven by a certificate signed by the executive  
2341 director or his designee that specifies the time the notice was  
2342 mailed. The notice is presumed to have been received by the  
2343 applicant five (5) days after it is deposited with the United  
2344 States Postal Service with the postage thereon prepaid.

2345           **SECTION 69.** Section 75-76-133, Mississippi Code of 1972, is  
2346 brought forward as follows:

2347           75-76-133. (1) Any communication or document of an  
2348 applicant or licensee which is required by:

2349           (a) Law or the regulations of the commission; or



2350           (b) A subpoena issued by the commission to be made or  
2351 transmitted to the commission or the executive director or his  
2352 employees, is absolutely privileged and does not impose liability  
2353 for defamation or constitute a ground for recovery in any civil  
2354 action.

2355           (2) If such a document or communication contains any  
2356 information which is privileged, that privilege is not waived or  
2357 lost because the document or communication is disclosed to the  
2358 commission or the executive director or his employees.

2359           (3) Notwithstanding the powers granted to the commission and  
2360 the executive director by this chapter:

2361           (a) The commission, the executive director and his  
2362 employees shall not release or disclose any privileged  
2363 information, documents or communications provided by an applicant  
2364 without the prior written consent of the applicant or licensee or  
2365 pursuant to a lawful court order after timely notice of the  
2366 proceedings has been given to the applicant or licensee.

2367           (b) The commission and the executive director shall  
2368 maintain all privileged information, documents and communications  
2369 in a secure place accessible only to members of the commission and  
2370 the executive director and his employees.

2371           (c) The commission shall adopt procedures and  
2372 regulations to protect the privileged nature of information,  
2373 documents and communications provided by an applicant or licensee.

2374           **SECTION 70.** Section 75-76-135, Mississippi Code of 1972, is  
2375 brought forward as follows:

2376           75-76-135. (1) The commission may issue an order summarily  
2377 suspending a person's work permit upon a finding that the  
2378 suspension is necessary for the immediate preservation of the  
2379 public peace, health, safety, morals, good order or general  
2380 welfare. The order becomes effective when served upon the permit  
2381 holder.

2382           (2) The order of summary suspension must state the facts  
2383 upon which the finding of necessity for the suspension is based.  
2384 For purposes of this section, the order shall be deemed a  
2385 complaint.

2386           (3) An order of summary suspension must be signed by at  
2387 least two (2) members of the commission.

2388           (4) The person whose work permit is summarily suspended:

2389               (a) Has a right to a hearing on the order. The  
2390 commission shall schedule a hearing within five (5) days after  
2391 receipt of the person's notice of defense.

2392               (b) Must file a notice of defense within thirty (30)  
2393 days after the effective date of the emergency order. Failure to  
2394 timely file this notice waives his rights to a hearing before the  
2395 commission and to judicial review of the final decision.

2396           (5) All affirmative defenses must be specifically stated in  
2397 the notice of defense, and unless an objection is stated to the  
2398 form or manner of the order, all objections to the form of the  
2399 complaint shall be deemed waived.

2400           (6) Except as otherwise provided in this section, the  
2401 procedures for a disciplinary action in Sections 75-76-103 through  
2402 75-76-119, inclusive, must be followed.

2403           **SECTION 71.** Section 75-76-137, Mississippi Code of 1972, is  
2404 brought forward as follows:

2405           75-76-137. (1) If any gaming employee is convicted of any  
2406 violation of this chapter or if in investigating an alleged  
2407 violation of this chapter by any licensee the executive director  
2408 or the commission finds that a gaming employee employed by the  
2409 licensee has been guilty of cheating, the commission shall, after  
2410 a hearing as provided in Sections 75-76-103 through 75-76-119,  
2411 inclusive, revoke the employee's work permit.

2412           (2) The commission may revoke a work permit if it finds  
2413 after a hearing as provided in Sections 75-76-103 through  
2414 75-76-119, inclusive, that the gaming employee has failed to

2415 disclose, misstated or otherwise misled the commission with  
2416 respect to any fact contained within any application for a work  
2417 permit, or subsequent to being issued a work permit:

2418 (a) Committed, attempted or conspired to do any of the  
2419 acts prohibited by this chapter;

2420 (b) Knowingly possessed or permitted to remain in or  
2421 upon any licensed premises any cards, dice, mechanical device or  
2422 any other cheating device whatever the use of which is prohibited  
2423 by statute or ordinance;

2424 (c) Concealed or refused to disclose any material fact  
2425 in any investigation by the executive director or the commission;

2426 (d) Committed, attempted or conspired to commit larceny  
2427 or embezzlement against a gaming licensee or upon the premises of  
2428 a licensed gaming establishment;

2429 (e) Been convicted in any jurisdiction other than  
2430 Mississippi of any offense involving or relating to gambling;

2431 (f) Accepted employment without prior commission  
2432 approval in a position for which he could be required to be  
2433 licensed under this chapter after having been denied a license for  
2434 a reason involving personal unsuitability or after failing to  
2435 apply for licensing when requested to do so by the commission or  
2436 the executive director;

2437 (g) Been refused the issuance of any license, permit or  
2438 approval to engage in or be involved with gaming in any  
2439 jurisdiction other than Mississippi, or had any such license,  
2440 permit or approval revoked or suspended;

2441 (h) Been prohibited under color of governmental  
2442 authority from being present upon the premises of any gaming  
2443 establishment for any reason relating to improper gambling  
2444 activities or any illegal act;

2445 (i) Contumaciously defied any legislative investigative  
2446 committee or other officially constituted bodies acting on behalf  
2447 of the United States or any state, county or municipality which

2448 seeks to investigate crimes relating to gaming, corruption of  
2449 public officials, or any organized criminal activities; or

2450 (j) Been convicted of any felony or misdemeanor, other  
2451 than one constituting a violation of this chapter.

2452 (3) A work permit shall not be issued to a person whose work  
2453 permit has previously been revoked pursuant to this section or to  
2454 whom the issuance or renewal of a work permit has been denied,  
2455 except with the unanimous approval of the commission members.

2456 (4) A gaming employee whose work permit has been revoked  
2457 pursuant to this section is entitled to judicial review of the  
2458 commission's action in the manner prescribed by Sections 75-76-121  
2459 through 75-76-127, inclusive.

2460 **SECTION 72.** Section 75-76-139, Mississippi Code of 1972, is  
2461 brought forward as follows:

2462 75-76-139. An applicant for licensing, registration, finding  
2463 of suitability, work permit or any approval or consent required by  
2464 this chapter shall make full and true disclosure of all  
2465 information to the commission, the executive director and any  
2466 other relevant governmental authority as necessary or appropriate  
2467 in the public interest or as required in order to carry out the  
2468 policies of this state relating to licensing and control of the  
2469 gaming industry.

2470 **SECTION 73.** Section 75-76-141, Mississippi Code of 1972, is  
2471 brought forward as follows:

2472 75-76-141. Any information obtained by the executive  
2473 director or the commission from any licensee, his employer or  
2474 agent relating to the termination of a gaming employee is  
2475 confidential and must not be disclosed except:

2476 (a) Such information obtained from the former employer  
2477 of an applicant for a work permit must be disclosed to the  
2478 applicant to the extent necessary to permit him to respond to any  
2479 objection made by the executive director to his application for  
2480 the permit;

2481           (b) In the necessary administration of this chapter; or  
2482           (c) Upon the lawful order of a court of competent  
2483 jurisdiction.

2484           **SECTION 74.** Section 75-76-143, Mississippi Code of 1972, is  
2485 brought forward as follows:

2486           75-76-143. When any person contracts to sell or lease any  
2487 property or interest in property, real or personal, under  
2488 circumstances which require the approval or licensing of the  
2489 purchaser or lessee by the commission, the contract must contain a  
2490 provision satisfactory to the commission regarding responsibility  
2491 for the payment of any fees or taxes due pursuant to any  
2492 subsequent deficiency determinations made under this chapter which  
2493 encompass any period of time before the closing date of the  
2494 transaction.

2495           **SECTION 75.** Section 75-76-145, Mississippi Code of 1972, is  
2496 brought forward as follows:

2497           75-76-145. (1) The Attorney General, at the request of the  
2498 executive director or the commission, may institute a civil action  
2499 in any court of this state against any person subject to this  
2500 chapter, to restrain a violation of this chapter.

2501           (2) The court shall give priority over other civil actions  
2502 to an action brought pursuant to this section.

2503           (3) An action brought against a person pursuant to this  
2504 section shall not preclude a criminal action or administrative  
2505 proceeding against that person.

2506           **SECTION 76.** Section 75-76-147, Mississippi Code of 1972, is  
2507 brought forward as follows:

2508           75-76-147. (1) The commission or the executive director  
2509 shall initiate proceedings or actions appropriate to enforce the  
2510 provisions of this chapter and may recommend that a district  
2511 attorney or the Attorney General prosecute any public offense  
2512 committed in violation of any provision of this chapter.

2513           (2) If an investigation indicates probable cause for belief  
2514 that a violation of this chapter has occurred, the commission or  
2515 the executive director shall refer the matter and the evidence  
2516 gathered during the investigation to the district attorney having  
2517 jurisdiction, with a request that such violation be prosecuted (a)  
2518 by presentation to the grand jury if it appears that a felony  
2519 violation has occurred, or (b) either by presentation to the grand  
2520 jury or by filing a criminal affidavit if it appears that a  
2521 misdemeanor violation has occurred.

2522           (3) If a district attorney declines to prosecute a gaming  
2523 offense referred to him by the commission or the executive  
2524 director, he shall respond in writing to the commission or the  
2525 executive director within sixty (60) days following receipt of the  
2526 request to prosecute and state the reasons declining to prosecute.

2527           (4) If the commission or the executive director, after  
2528 reviewing a district attorney's declination to prosecute,  
2529 disagrees with the decision of such district attorney, the  
2530 commission or the executive director may then refer the request  
2531 for criminal prosecution to the Attorney General. In conducting  
2532 any such prosecution, the Attorney General shall have all powers  
2533 of a district attorney, including the power to issue or cause to  
2534 be issued subpoenas or other process, and the right to enter the  
2535 grand jury room while the grand jury is in session and to perform  
2536 services with reference to the work of the grand jury.

2537           **SECTION 77.** Section 75-76-149, Mississippi Code of 1972, is  
2538 brought forward as follows:

2539           75-76-149. Any person who possesses any device, equipment or  
2540 material which has been manufactured, sold or distributed in  
2541 violation of this chapter shall, upon conviction, be punished by a  
2542 fine of not more than One Thousand Dollars (\$1,000.00) or  
2543 imprisoned in the county jail not more than six (6) months, or by  
2544 both such fine and imprisonment.

2545

2546           **SECTION 78.** Section 75-76-151, Mississippi Code of 1972, is  
2547 brought forward as follows:

2548           75-76-151. Every district attorney, sheriff and chief of  
2549 police shall furnish to the executive director, on forms prepared  
2550 by the executive director, all information obtained during the  
2551 course of any substantial investigation or prosecution of any  
2552 person if it appears that a violation of any law related to gaming  
2553 has occurred.

2554           **SECTION 79.** Section 75-76-153, Mississippi Code of 1972, is  
2555 brought forward as follows:

2556           75-76-153. An application to a court for an order requiring  
2557 the commission or the executive director to release any  
2558 information declared by law to be confidential shall be made only  
2559 upon motion in writing on ten (10) days' written notice to the  
2560 commission or the executive director, the Attorney General and all  
2561 persons who may be affected by the entry of such order. Copies of  
2562 the motion and all papers filed in support of it shall be served  
2563 with the notice by delivering a copy in person or by certified  
2564 mail to the last known address of the person to be served.

2565           **SECTION 80.** Section 75-76-155, Mississippi Code of 1972, is  
2566 brought forward as follows:

2567           75-76-155. (1) A person under the age of twenty-one (21)  
2568 years shall not:

2569           (a) Play, be allowed to play, place wagers, or collect  
2570 winnings, whether personally or through an agent, from any gaming  
2571 authorized under this chapter.

2572           (b) Be employed as a gaming employee.

2573           (2) Any licensee, employee, dealer or other person who  
2574 violates or permits the violation of any of the provisions of this  
2575 section, and any person under twenty-one (21) years of age who  
2576 violates any of the provisions of this section shall, upon  
2577 conviction, be punished by a fine of not more than One Thousand

2578 Dollars (\$1,000.00) or imprisoned in the county jail not more than  
2579 six (6) months, or by both such fine and imprisonment.

2580 (3) In any prosecution or other proceeding for the violation  
2581 of any of the provisions of this section, it is no excuse for the  
2582 licensee, employee, dealer or other person to plead that he  
2583 believed the person to be twenty-one (21) years old or over.

2584 **SECTION 81.** Section 75-76-157, Mississippi Code of 1972, is  
2585 brought forward as follows:

2586 75-76-157. (1) Except as provided in Sections 75-76-159  
2587 through 75-76-165, inclusive, gaming debts not evidenced by a  
2588 credit instrument are void and unenforceable and do not give rise  
2589 to any administrative or civil cause of action.

2590 (2) A claim by a patron of a licensee for payment of a  
2591 gaming debt not evidenced by a credit instrument may be resolved  
2592 by the executive director in accordance with Sections 75-76-159  
2593 through 75-76-165, inclusive.

2594 **SECTION 82.** Section 75-76-159, Mississippi Code of 1972, is  
2595 brought forward as follows:

2596 75-76-159. (1) Whenever a licensee refuses payment of  
2597 alleged winnings to a patron, the licensee and the patron are  
2598 unable to resolve the dispute to the satisfaction of the patron  
2599 and the dispute involves:

2600 (a) At least Five Hundred Dollars (\$500.00), the  
2601 licensee shall immediately notify the executive director; or

2602 (b) Less than Five Hundred Dollars (\$500.00), the  
2603 licensee shall inform the patron of his right to request that the  
2604 executive director conduct an investigation.

2605 The executive director shall conduct whatever investigation  
2606 is deemed necessary and shall determine whether payment should be  
2607 made.

2608 (2) The executive director shall mail written notice to the  
2609 commission, the licensee and the patron of his decision resolving  
2610 the dispute within thirty (30) days after the date the executive



2611 director first receives notification from the licensee or a  
2612 request to conduct an investigation from the patron.

2613 (3) Failure to notify the executive director or patron as  
2614 provided in subsection (1) is grounds for disciplinary action  
2615 pursuant to Sections 75-76-103 through 75-76-119, inclusive.

2616 (4) The decision of the executive director is effective on  
2617 the date the aggrieved party receives notice of the decision. The  
2618 date of receipt is presumed to be the date specified on the return  
2619 receipt.

2620 (5) Notice of the decision of the executive director shall  
2621 be deemed sufficient if it is mailed to the last known address of  
2622 the licensee and patron. The date of mailing may be proven by a  
2623 certificate signed by an employee of the executive director that  
2624 specifies the time the notice was mailed. The notice is presumed  
2625 to have been received by the licensee or the patron five (5) days  
2626 after it is deposited with the United States Postal Service with  
2627 the postage thereon prepaid.

2628 **SECTION 83.** Section 75-76-161, Mississippi Code of 1972, is  
2629 brought forward as follows:

2630 75-76-161. (1) Within twenty (20) days after the date of  
2631 receipt of the written decision of the executive director, the  
2632 aggrieved party may file a petition with the commission requesting  
2633 a hearing to reconsider the decision.

2634 (2) The petition must set forth the basis of the request for  
2635 reconsideration.

2636 (3) If no petition for reconsideration is filed within the  
2637 time prescribed in subsection (1) of this section, the decision  
2638 shall be deemed final action on the matter and is not subject to  
2639 reconsideration by the executive director or review by the  
2640 commission or to review by any court.

2641 (4) The party requesting the hearing must provide a copy of  
2642 the petition to the other party.

2643           (5) Within fifteen (15) days after service of the petition,  
2644 the responding party may answer the allegations contained therein  
2645 by filing a written response with the commission.

2646           (6) The commission shall appoint a hearing examiner who  
2647 shall schedule a hearing and may conduct the hearing at such times  
2648 and places, within or without the State of Mississippi as may be  
2649 convenient, except that notice of the date, time and place of the  
2650 hearing must be provided to both parties. The commission may  
2651 review the hearing examiner's decision as provided in Section  
2652 75-76-119.

2653           **SECTION 84.** Section 75-76-163, Mississippi Code of 1972, is  
2654 brought forward as follows:

2655           75-76-163. (1) The party seeking reconsideration bears the  
2656 burden of showing that the executive director's decision should be  
2657 reversed or modified.

2658           (2) After the hearing, the hearing examiner may sustain,  
2659 modify or reverse the executive director's decision. The decision  
2660 by the hearing examiner must be in writing and must include  
2661 findings of fact. A copy of the hearing examiner's decision must  
2662 be delivered or mailed forthwith to each party or to his attorney  
2663 of record.

2664           **SECTION 85.** Section 75-76-165, Mississippi Code of 1972, is  
2665 brought forward as follows:

2666           75-76-165. (1) Except as otherwise provided in subsection  
2667 (2) of this section, a licensee shall pay a patron's claim within  
2668 twenty (20) days after the decision of the executive director  
2669 directing him to do so becomes final. Failure to pay within that  
2670 time is grounds for disciplinary action pursuant to Sections  
2671 75-76-103 through 75-76-119, inclusive.

2672           (2) If a licensee intends to file a petition for judicial  
2673 review of the commission's decision pursuant to Sections 75-76-167  
2674 through 75-76-173, inclusive, the licensee must first deposit in  
2675 an interest-bearing account in a financial institution an amount

2676 equal to the amount in dispute. The licensee shall pay the full  
2677 amount of the patron's claim, including interest, within twenty  
2678 (20) days after a final, nonappealable order of a court of  
2679 competent jurisdiction so directs.

2680 (3) The licensee may withdraw the amount deposited in the  
2681 financial institution upon:

2682 (a) Payment of the full amount of the patron's claim,  
2683 plus interest, if the licensee has given notice to the commission  
2684 of the payment; or

2685 (b) A final determination by the court that the  
2686 licensee is not required to pay the claim.

2687 **SECTION 86.** Section 75-76-167, Mississippi Code of 1972, is  
2688 brought forward as follows:

2689 75-76-167. (1) Any person aggrieved by a final decision or  
2690 order of the commission made after hearing by the commission  
2691 pursuant to Sections 75-76-159 through 75-76-165, inclusive, may  
2692 obtain a judicial review thereof in the circuit court of the  
2693 county in which the dispute between the licensee and patron arose.

2694 (2) The judicial review must be instituted by filing a  
2695 petition within twenty (20) days after the effective date of the  
2696 final decision or order. The petition must set forth the order or  
2697 decision appealed from and the grounds or reasons why petitioner  
2698 contends a reversal or modification should be ordered.

2699 (3) Copies of the petition must be served upon the executive  
2700 director and all other parties of record, or their counsel of  
2701 record, either personally or by certified mail.

2702 (4) The court, upon a proper showing, may permit other  
2703 interested persons to intervene as parties to the appeal or as  
2704 friends of the court.

2705 (5) The filing of the petition does not stay enforcement of  
2706 the decision or order of the commission, but the commission itself  
2707 may grant a stay upon such terms and conditions as it deems  
2708 proper.

2709           **SECTION 87.** Section 75-76-169, Mississippi Code of 1972, is  
2710 brought forward as follows:

2711           75-76-169. (1) Upon written request of petitioner and upon  
2712 payment of such reasonable costs and fees as the commission may  
2713 prescribe, the complete record on review, or such parts thereof as  
2714 are designated by the petitioner, must be prepared by the  
2715 commission.

2716           (2) The complete record on review must include copies of:

- 2717           (a) All pleadings in the case;
- 2718           (b) All notices and interim orders issued by the  
2719 hearing examiner or the commission in connection with the case;
- 2720           (c) All stipulations;
- 2721           (d) The decision and order appealed from;
- 2722           (e) A transcript of all testimony, evidence and  
2723 proceedings at the hearing;
- 2724           (f) The exhibits admitted or rejected; and
- 2725           (g) Any other papers in the case.

2726           The original of any document may be used in lieu of a copy  
2727 thereof. The record on review may be shortened by stipulation of  
2728 all parties to the review proceedings.

2729           (3) The record on review must be filed with the reviewing  
2730 court within thirty (30) days after service of the petition for  
2731 review, but the court may allow the commission additional time to  
2732 prepare and transmit the record on review.

2733           **SECTION 88.** Section 75-76-171, Mississippi Code of 1972, is  
2734 brought forward as follows:

2735           75-76-171. (1) The reviewing court may, upon motion  
2736 therefor, order that additional evidence in the case be taken by  
2737 the commission upon such terms and conditions as the court may  
2738 deem just and proper. The motion must not be granted except upon  
2739 a showing that the additional evidence is material and necessary  
2740 and that sufficient reason existed for failure to present the  
2741 evidence at the hearing before the hearing examiner or the

2742 commission. The motion must be supported by an affidavit of the  
2743 moving party or his counsel showing with particularity the  
2744 materiality and necessity of the additional evidence and the  
2745 reason why it was not introduced in the administrative hearing.  
2746 Rebuttal evidence to the additional evidence must be permitted.  
2747 In cases in which additional evidence is presented to the  
2748 commission, the commission may modify its decisions and orders as  
2749 the additional evidence may warrant and shall file with the  
2750 reviewing court a transcript of the additional evidence together  
2751 with any modifications of the decision and order, all of which  
2752 become a part of the record on review.

2753 (2) The review must be conducted by the court sitting  
2754 without a jury and must not be a trial de novo but is confined to  
2755 the record on review.

2756 (3) The reviewing court may affirm the decision and order of  
2757 the commission, or it may remand the case for further proceedings  
2758 or reverse the decision if the substantial rights of the  
2759 petitioner have been prejudiced because the decision is:

- 2760 (a) In violation of constitutional provisions;  
2761 (b) In excess of the statutory authority or  
2762 jurisdiction of the commission;  
2763 (c) Made upon unlawful procedure;  
2764 (d) Unsupported by any evidence; or  
2765 (e) Arbitrary or capricious or otherwise not in  
2766 accordance with law.

2767 **SECTION 89.** Section 75-76-173, Mississippi Code of 1972, is  
2768 brought forward as follows:

2769 75-76-173. (1) Any party aggrieved by the final decision in  
2770 the circuit court after a review of the decision and order of the  
2771 commission may appeal to the Supreme Court in the manner and  
2772 within the time provided by law for appeals in civil cases. The  
2773 Supreme Court shall follow the same procedure thereafter as in

2774 appeals in civil actions and may affirm, reverse or modify the  
2775 decision as the record and law warrant.

2776 (2) The judicial review by the circuit and Supreme Courts  
2777 afforded in this chapter is the exclusive method of review of the  
2778 commission's actions, decisions and orders in hearings held  
2779 pursuant to Sections 75-76-159 through 75-76-165, inclusive.

2780 (3) The party requesting judicial review shall bear all of  
2781 the costs of transcribing and of transmitting the record on  
2782 review.

2783 **SECTION 90.** Section 75-76-175, Mississippi Code of 1972, is  
2784 brought forward as follows:

2785 75-76-175. (1) A credit instrument accepted on or after  
2786 June 29, 1991, is valid and may be enforced by legal process.

2787 (2) A licensee or a person acting on the licensee's behalf  
2788 may accept an incomplete credit instrument which:

2789 (a) Is signed by a patron; and

2790 (b) States the amount of the debt in figures.

2791 and may complete the instrument as is necessary for the instrument  
2792 to be presented for payment.

2793 (3) A licensee or person acting on behalf of a licensee:

2794 (a) May accept a credit instrument that is dated later  
2795 than the date of its execution if that later date is furnished at  
2796 the time of the execution of the credit instrument by the patron.

2797 (b) May not accept a credit instrument which is  
2798 incomplete, except as authorized by subsection (2) of this  
2799 section.

2800 (c) May accept a credit instrument that is payable to  
2801 an affiliated company or may complete a credit instrument in the  
2802 name of an affiliated company as payee if the credit instrument  
2803 otherwise complies with this subsection and the records of the  
2804 affiliated company pertaining to the credit instrument are made  
2805 available to the executive director upon request.

2806 (4) This section does not prohibit the establishment of an  
2807 account by a deposit of cash, recognized traveler's check, or any  
2808 other instruments which is equivalent to cash.

2809 (5) Any person who violates the provisions of this section  
2810 is subject only to the penalties provided in Sections 75-76-103  
2811 through 75-76-119, inclusive.

2812 (6) The commission may adopt regulations prescribing the  
2813 conditions under which a credit instrument may be redeemed or  
2814 presented to a bank for collection or payment.

2815 **SECTION 91.** Section 75-76-177, Mississippi Code of 1972, is  
2816 brought forward as follows:

2817 75-76-177. (1) From and after August 1, 1990, there is  
2818 hereby imposed and levied on each gaming licensee a license fee  
2819 based upon all the gross revenue of the licensee as follows:

2820 (a) Four percent (4%) of all the gross revenue of the  
2821 licensee which does not exceed Fifty Thousand Dollars (\$50,000.00)  
2822 per calendar month;

2823 (b) Six percent (6%) of all the gross revenue of the  
2824 licensee which exceeds Fifty Thousand Dollars (\$50,000.00) per  
2825 calendar month and does not exceed One Hundred Thirty-four  
2826 Thousand Dollars (\$134,000.00) per calendar month; and

2827 (c) Eight percent (8%) of all the gross revenue of the  
2828 licensee which exceeds One Hundred Thirty-four Thousand Dollars  
2829 (\$134,000.00) per calendar month.

2830 (2) All revenue received from any game or gaming device  
2831 which is leased for operation on the premises of the  
2832 licensee-owner to a person other than the owner thereof or which  
2833 is located in an area or space on such premises which is leased by  
2834 the licensee-owner to any such person, must be attributed to the  
2835 owner for the purposes of this section and be counted as part of  
2836 the gross revenue of the owner. The lessee is liable to the owner  
2837 for his proportionate share of such license fees.

2838           (3) If the amount of license fees required to be reported  
2839 and paid pursuant to this section is later determined to be  
2840 greater or less than the amount actually reported and paid by the  
2841 licensee, the Chairman of the State Tax Commission shall:

2842           (a) Assess and collect the additional license fees  
2843 determined to be due, with interest thereon until paid; or

2844           (b) Refund any overpayment, with interest thereon, to  
2845 the licensee.

2846           Interest must be computed, until paid, at the rate of one  
2847 percent (1%) per month from the first day of the first month  
2848 following either the due date of the additional license fees or  
2849 the date of overpayment.

2850           (4) Failure to pay the fees provided for in this section  
2851 when they are due for continuation of a license shall be deemed a  
2852 surrender of the license.

2853           **SECTION 92.** Section 75-76-179, Mississippi Code of 1972, is  
2854 brought forward as follows:

2855           75-76-179. License fees paid under Section 75-76-177 in any  
2856 taxable year shall be allowed as credit against the income tax  
2857 liability of the licensee for that taxable year.

2858           **SECTION 93.** Section 75-76-181, Mississippi Code of 1972, is  
2859 brought forward as follows:

2860           75-76-181. (1) For the purposes of this chapter, except as  
2861 otherwise provided in subsection (3) of this section, the  
2862 computation of gross revenue must include the face value of any  
2863 credit instrument accepted on or after June 29, 1991, if, within  
2864 five (5) years after the last day of the month following the month  
2865 in which the instrument was accepted by the licensee, the  
2866 executive director determines that:

2867           (a) The instrument was not signed by the patron or  
2868 otherwise acknowledged by him in a written form satisfactory to  
2869 the executive director;



2870           (b) The licensee did not have an address for the patron  
2871 at the time of accepting the instrument, or, in lieu of that  
2872 address, has not provided the executive director, within a  
2873 reasonable time after its request, the current address of the  
2874 patron to whom the credit was extended;

2875           (c) The licensee has not provided the executive  
2876 director any evidence that the licensee made a reasonable effort  
2877 to collect the debt;

2878           (d) The licensee has not provided the executive  
2879 director any evidence that the licensee checked the credit history  
2880 of the patron before extending the credit to him;

2881           (e) The licensee has not produced the instrument within  
2882 a reasonable time after a request by the executive director for  
2883 the instrument unless it:

2884                 (i) Is in the possession of a court, governmental  
2885 agency or financial institution;

2886                 (ii) Has been returned to the patron upon his  
2887 partial payment of the instrument and the licensee has obtained a  
2888 substitute credit instrument for the remaining balance;

2889                 (iii) Has been stolen and the licensee has made a  
2890 written report of the theft to the appropriate law enforcement  
2891 agency; or

2892                 (iv) Cannot be produced because of any other  
2893 circumstance which is beyond the licensee's control;

2894           (f) The signature of the patron on the instrument was  
2895 forged and the licensee has not made a written report of the  
2896 forgery to the appropriate law enforcement agency; or

2897           (g) Upon an audit by the State Tax Commission, the  
2898 licensee requested the auditors not to confirm the unpaid balance  
2899 of the debit with the patron and there is no other satisfactory  
2900 means of confirmation.

2901           (2) For the purpose of this chapter, the computation of  
2902 gross revenue must not include cash or its equivalent which is

2903 received in full or partial payment of a debt previously included  
2904 in the computation of gross revenue pursuant to subsection (1).

2905 (3) Subsection (1) does not apply to any credit instrument  
2906 which is settled for less than its face amount to:

2907 (a) Induce a partial payment;

2908 (b) Compromise a dispute;

2909 (c) Retain a patron's business for the future; or

2910 (d) Obtain a patron's business if:

2911 (i) An agreement is entered into to discount the  
2912 face amount of a credit instrument before it is issued to induce  
2913 timely payment of the credit instrument; and

2914 (ii) The percentage of discount of the instrument  
2915 is reasonable as compared to the prevailing practice in the  
2916 industry.

2917 **SECTION 94.** Section 75-76-183, Mississippi Code of 1972, is  
2918 brought forward as follows:

2919 75-76-183. (1) Each applicant for a license to conduct  
2920 gaming aboard a vessel or cruise vessel shall pay an application  
2921 fee of Five Thousand Dollars (\$5,000.00).

2922 (2) Each licensee who is licensed to conduct gaming aboard a  
2923 vessel or cruise vessel shall pay an annual license fee of Five  
2924 Thousand Dollars (\$5,000.00).

2925 **SECTION 95.** Section 75-76-185, Mississippi Code of 1972, is  
2926 brought forward as follows:

2927 75-76-185. (1) Except as otherwise provided in Section  
2928 75-76-187, there is hereby imposed and levied on each licensee who  
2929 conducts a gaming operation a fee based on the value of any  
2930 collectible credit instrument received as a result of that gaming  
2931 operation which is held by the licensee or any affiliate of the  
2932 licensee and remains unpaid on the last tax day.

2933 (2) The fee must be:

2934 (a) Calculated by using the rates and monetary limits  
2935 set forth in Section 75-76-177; and

2936 (b) Collected by the State Tax Commission and refunded  
2937 pursuant to the regulations adopted by the State Tax Commission.

2938 **SECTION 96.** Section 75-76-187, Mississippi Code of 1972, is  
2939 brought forward as follows:

2940 75-76-187. (1) If the commission approves the issuance of a  
2941 license for gaming operations at the same location, within thirty  
2942 (30) days following a change described in subsection (2) of this  
2943 section, for the purpose of Section 75-76-177 and Sections  
2944 75-76-181 through 75-76-191, inclusive, the gaming license shall  
2945 be deemed transferred and the previously licensed operation shall  
2946 be deemed a continuing operation.

2947 (2) Credit must be granted for prepaid license fees as  
2948 described in subsection (1) if:

2949 (a) The securities of a corporate gaming licensee are  
2950 or become publicly held or publicly traded and the gaming  
2951 operations of that corporation are transferred to a wholly owned  
2952 subsidiary corporation;

2953 (b) A corporate gaming licensee is merged with another  
2954 corporation which is the surviving entity and at least eighty  
2955 percent (80%) of the surviving entity is owned by shareholders of  
2956 the former licensee;

2957 (c) A corporate gaming licensee is dissolved and the  
2958 parent corporation of the dissolved corporation or a subsidiary  
2959 corporation of the parent corporation, at least eighty percent  
2960 (80%) of which is owned by the parent corporation, becomes the  
2961 gaming licensee.

2962 **SECTION 97.** Section 75-76-189, Mississippi Code of 1972, is  
2963 brought forward as follows:

2964 75-76-189. Any person who willfully fails to report, pay or  
2965 truthfully account for and pay over the license fees imposed by  
2966 this chapter, or willfully attempts in any manner to evade or  
2967 defeat any such tax or payment thereof, or any licensee who puts  
2968 additional games into play without authority of the commission to

2969 do so or any licensee who fails to remit any license fee provided  
2970 for by this chapter when due is, in addition to the amount due,  
2971 liable for a penalty of the amount of the license fee evaded or  
2972 not paid, collected or paid over. The penalty must be assessed  
2973 and collected in the same manner as are other charges, license  
2974 fees and penalties under this chapter.

2975 **SECTION 98.** Section 75-76-191, Mississippi Code of 1972, is  
2976 brought forward as follows:

2977 75-76-191. (1) In addition to any other state gaming  
2978 license fees provided for in this chapter, from and after August  
2979 1, 1990, there is hereby imposed and levied on each applicant for  
2980 a state gaming license a license fee to be determined on the basis  
2981 of the following annual rates:

2982 (a) From establishments operating or to operate ten  
2983 (10) games or less:

2984 Those establishments operating or to operate one (1) game,  
2985 the sum of Fifty Dollars (\$50.00).

2986 Those establishments operating or to operate two (2) games,  
2987 the sum of One Hundred Dollars (\$100.00).

2988 Those establishments operating or to operate three (3) games,  
2989 the sum of Two Hundred Dollars (\$200.00).

2990 Those establishments operating or to operate four (4) games,  
2991 the sum of Three Hundred Seventy-five Dollars (\$375.00).

2992 Those establishments operating or to operate five (5) games,  
2993 the sum of Eight Hundred Seventy-five Dollars (\$875.00).

2994 Those establishments operating or to operate six (6) or seven  
2995 (7) games, the sum of One Thousand Five Hundred Dollars  
2996 (\$1,500.00).

2997 Those establishments operating or to operate eight (8), nine  
2998 (9) or ten (10) games, the sum of Three Thousand Dollars  
2999 (\$3,000.00).

3000 (b) From establishments operating or to operate more  
3001 than ten (10) games:

3002 For each game up to and including sixteen (16) games, the sum  
3003 of Five Hundred Dollars (\$500.00).

3004 For each game from seventeen (17) to twenty-six (26) games,  
3005 inclusive, the sum of Four Thousand Eight Hundred Dollars  
3006 (\$4,800.00).

3007 For each game from twenty-seven (27) to thirty-five (35)  
3008 games, inclusive, the sum of Two Thousand Eight Hundred Dollars  
3009 (\$2,800.00).

3010 For each game more than thirty-five (35) games, the sum of  
3011 One Hundred Dollars (\$100.00).

3012 (2) The license fee imposed by this section is to be paid by  
3013 the applicant to the State Tax Commission on or before the filing  
3014 of the application for issuance of a gaming license by the  
3015 applicant, and is to be paid annually thereafter for continuation  
3016 of the gaming license. Upon such payment, the Chairman of the  
3017 State Tax Commission shall certify to the executive director that  
3018 such fee has been paid by the applicant, and the amount of the fee  
3019 paid.

3020 (3) Card games, that is, stud or draw poker, bridge, whist,  
3021 solo, low ball, and panguingui for money, and slot machines, when  
3022 not utilized as an adjunct to or a unit of any banking, percentage  
3023 or mechanical device or machine, are not gambling games under the  
3024 provisions of this section.

3025 (4) All games operated or conducted in one (1) room or a  
3026 group of rooms in the same or a contiguous building or vessel are  
3027 considered one (1) operation, and the license to be paid must be  
3028 determined on the aggregate number of games in each room or group  
3029 of rooms in the same or a contiguous building or vessel.

3030 **SECTION 99.** Section 75-76-193, Mississippi Code of 1972, is  
3031 brought forward as follows:

3032 75-76-193. (1) In calculating gross revenue, any prizes,  
3033 premiums, drawings, benefits or tickets which are redeemable for  
3034 money or merchandise or other promotional allowance, except money

3035 or tokens paid at face value directly to a patron as the result of  
3036 a specific wager and the amount the cash paid to purchase an  
3037 annuity to fund winnings paid to that patron over several years by  
3038 an independent financial institution, must not be deducted as  
3039 losses from winnings at any game except a slot machine.

3040 (2) In calculating gross revenue from slot machines, the  
3041 actual cost to the licensee of any personal property distributed  
3042 to a patron as the result of a legitimate wager may be deducted as  
3043 a loss, but not travel expenses, food, refreshments, lodging or  
3044 services.

3045 **SECTION 100.** Section 75-76-195, Mississippi Code of 1972, is  
3046 brought forward as follows:

3047 75-76-195. (1) In addition to any state gaming license fees  
3048 or taxes, from and after August 1, 1990, (a) a municipality may  
3049 impose a fee upon a licensee located within the municipality for  
3050 conducting, carrying on or operating any gambling game, slot  
3051 machine or other game of chance based upon all the gross revenue  
3052 of the licensee derived from his establishment within the  
3053 municipality, and (b) a county may impose a fee upon a licensee  
3054 located within the unincorporated area of the county for  
3055 conducting, carrying on or operating any gambling game, slot  
3056 machine or other game of chance based upon all the gross revenue  
3057 of the licensee derived from his establishment within the  
3058 unincorporated area of the county, as follows:

3059 (i) Four-tenths percent (.4%) of all the gross revenue  
3060 which does not exceed Fifty Thousand Dollars (\$50,000.00) per  
3061 calendar month;

3062 (ii) Six-tenths percent (.6%) of all the gross revenue  
3063 which exceeds Fifty Thousand Dollars (\$50,000.00) per calendar  
3064 month and does not exceed One Hundred Thirty-four Thousand Dollars  
3065 (\$134,000.00) per calendar month; and

3066 (iii) Eight-tenths percent (.8%) of all the gross  
3067 revenue of the licensee which exceeds One Hundred Thirty-four  
3068 Thousand Dollars (\$134,000.00) per calendar month.

3069 (2) Whenever a municipality or county imposes a fee under  
3070 this section, it shall not become effective until the first day of  
3071 the month following the month in which the municipality or county  
3072 adopts the ordinance imposing the fee.

3073 (3) All revenue received from any game or gaming device  
3074 which is leased for operation on the premises of licensee-owner to  
3075 a person other than the owner thereof or which is located in an  
3076 area or space on such premises which is leased by the  
3077 licensee-owner to any such person must be attributed to the owner  
3078 for the purposes of this section and be counted as part of the  
3079 gross revenue of the owner. The lessee is liable to the owner for  
3080 his proportionate share of such fees.

3081 (4) If the amount of fees required to be reported and paid  
3082 pursuant to this section is later determined to be greater or less  
3083 than the amount actually reported and paid by the licensee, the  
3084 State Tax Commission on behalf of the local government shall:

3085 (a) Assess and collect the additional fees determined  
3086 to be due, with interest thereon until paid; or

3087 (b) Refund any overpayment, with interest thereon, to  
3088 the licensee.

3089 Interest must be computed, until paid, at the rate of one  
3090 percent (1%) per month from the first day of the month following  
3091 either the due date of the additional fees or the date of  
3092 overpayment.

3093 (5) Failure to pay the fees provided for in this section  
3094 when they are due for continuation of a license shall be deemed a  
3095 surrender of the license.

3096 **SECTION 101.** Section 75-76-197, Mississippi Code of 1972, is  
3097 brought forward as follows:

3098           75-76-197. On or before the fifteenth day of each month, the  
3099 gross revenue fees collected under the provisions of Section  
3100 75-76-195 during the preceding month shall be paid and distributed  
3101 as follows:

3102           (a) Fees designated as "local government fees" remitted  
3103 by licensees who are located within an incorporated municipality  
3104 shall be distributed:

3105           (i) To such municipal corporation in the  
3106 proportion that the population of the municipal corporation bears  
3107 to the entire population of the county in which the municipal  
3108 corporation is located, according to the most recent federal  
3109 census; and

3110           (ii) To the county in which the municipal  
3111 corporation is located in the proportion that the population of  
3112 the county outside of that municipal corporation bears to the  
3113 entire population of the county, according to the most recent  
3114 federal census.

3115           (b) Fees designated as "local government fees" remitted  
3116 by licensees who are not located within an incorporated  
3117 municipality shall be distributed to the county in which the  
3118 licensee is located.

3119           **SECTION 102.** Section 75-76-199, Mississippi Code of 1972, is  
3120 brought forward as follows:

3121           75-76-199. For the purpose of Sections 75-76-199 through  
3122 75-76-265:

3123           (a) "Affiliated company" means a subsidiary company,  
3124 holding company, intermediate company or any other form of  
3125 business organization that:

3126           (i) Controls, is controlled by or is under common  
3127 control with a corporate licensee; and

3128           (ii) Is involved in gaming activities in this  
3129 state or involved in the ownership of property in this state upon  
3130 which gaming is conducted.



3131 (b) "Director" means any director of a corporation or  
3132 any person performing similar functions with respect to any  
3133 organization.

3134 (c) "Equity security" means:

3135 (i) Any voting stock of a corporation, or similar  
3136 security;

3137 (ii) Any security convertible, with or without  
3138 consideration, into such a security, or carrying any warrant or  
3139 right to subscribe to or purchase such a security;

3140 (iii) Any such warrant or right; or

3141 (iv) Any security having a direct or indirect  
3142 participation in the profits or the issuer.

3143 (d) "General partner" means any general partner of a  
3144 limited partnership or any person performing similar functions.

3145 (e) "Holding company" means any corporation, firm,  
3146 partnership, trust or other form of business organization not a  
3147 natural person which, directly or indirectly:

3148 (i) Owns;

3149 (ii) Has the power or right to control; or

3150 (iii) Holds, with power to vote, all or any part  
3151 of the limited partnership interests or outstanding voting  
3152 securities of a corporation which holds or applies for a state  
3153 gaming license.

3154 For the purposes of this paragraph (e), in addition to other  
3155 reasonable meaning of the words used, a holding company  
3156 "indirectly" has, holds or owns any power, right or security  
3157 mentioned in this paragraph (e) if it does so through any interest  
3158 in a subsidiary or successive subsidiaries, however many such  
3159 subsidiaries may intervene between the holding company and the  
3160 corporate licensee or applicant.

3161 (f) "Intermediary company" means any corporation, firm,  
3162 partnership, trust or other form of business organization other  
3163 than a natural person which:

3164 (i) Is a holding company with respect to a  
3165 corporation or limited partnership which holds or applies for a  
3166 state gaming license; and

3167 (ii) Is a subsidiary with respect to any holding  
3168 company.

3169 (g) "Limited partner" means any limited partner of a  
3170 limited partnership or any other person having similar rights.

3171 (h) "Limited partnership" means a partnership formed by  
3172 two (2) or more persons pursuant to this chapter, having as  
3173 members one or more general partners and one or more limited  
3174 partners.

3175 (i) "Limited partnership interest" means the right of a  
3176 general or limited partner to receive from a limited partnership:

3177 (i) A share of the profits;

3178 (ii) Any other compensation by way of income; or

3179 (iii) A return of any or all of his contribution  
3180 to capital of the limited partnership, or the right to exercise  
3181 any of the rights or powers provided in this chapter, whether  
3182 directly or indirectly.

3183 (j) "Publicly traded corporation" means:

3184 (i) Any corporation or other legal entity except a  
3185 natural person which:

3186 1. Has one or more classes of securities  
3187 registered pursuant to Section 12 of the Securities Exchange Act  
3188 of 1934, as amended (15 USCS Section 781); or

3189 2. Is an issuer subject to Section 15(d) of  
3190 the Securities Exchange Act of 1934, as amended (15 USCS Section  
3191 780); or

3192 (ii) Any corporation or other legal entity created  
3193 under the laws of a foreign country:

3194 1. Which has one or more classes of  
3195 securities registered on that country's securities exchange or  
3196 over-the-counter market; and

3197                           2. Whose activities have been found by the  
3198 commission to be regulated in a manner which protects the  
3199 investors and the State of Mississippi.

3200                   (k) "Subsidiary" means:

3201                           (i) Any corporation all or any part of whose  
3202 outstanding equity securities are:

3203                                   1. Owned;

3204                                   2. Subject to a power or right of control; or

3205                                   3. Held, with power to vote, by a holding

3206 company or intermediary company; or

3207                           (ii) Any firm, partnership, trust or other form of  
3208 business organization not a natural person, all or any interest in  
3209 which is:

3210                                   1. Owned;

3211                                   2. Subject to a power or right of control; or

3212                                   3. Held, with power to vote, by a holding

3213 company or intermediary company.

3214           **SECTION 103.** Section 75-76-201, Mississippi Code of 1972, is  
3215 brought forward as follows:

3216           75-76-201. (1) The policy of the State of Mississippi with  
3217 respect to the issuance of state gaming licenses to corporations  
3218 is:

3219                           (a) To maintain effective control over the conduct of  
3220 gaming by corporate licensees.

3221                           (b) To restrain any speculative promotion of the stock  
3222 or other securities of gaming enterprises.

3223           (2) The commission may waive, either selectively or by  
3224 general regulation, one or more of the requirements of Sections  
3225 75-76-203 through 75-76-217 if it makes a written finding that  
3226 such waiver is consistent with the state policy.

3227           **SECTION 104.** Section 75-76-203, Mississippi Code of 1972, is  
3228 brought forward as follows:

3229           75-76-203. In order to be eligible to receive a state gaming  
3230 license, a corporation shall:

3231           (a) Be incorporated:

3232                   (i) In the State of Mississippi, although such  
3233 corporation may be a wholly or partly owned subsidiary of a  
3234 corporation which is chartered in another state of the United  
3235 States; or

3236                   (ii) In another state of the United States, if all  
3237 persons having any direct or indirect interest of any nature in  
3238 such corporation are licensed as required by this chapter and any  
3239 applicable regulations of the commission;

3240           (b) Maintain an office of the corporation on the  
3241 licensed premises;

3242           (c) Comply with all of the requirements of the laws of  
3243 the State of Mississippi pertaining to corporations; and

3244           (d) Maintain a ledger in the principal office of the  
3245 corporation in Mississippi, which shall:

3246                   (i) At all times reflect the ownership of every  
3247 class of security issued by the corporation; and

3248                   (ii) Be available for inspection by the commission  
3249 or the executive director or his employees at all reasonable times  
3250 without notice.

3251           **SECTION 105.** Section 75-76-205, Mississippi Code of 1972, is  
3252 brought forward as follows:

3253           75-76-205. No domestic corporation is eligible to receive a  
3254 gaming license unless it is in good standing in this state. No  
3255 foreign corporation is eligible to receive a gaming license unless  
3256 it qualifies to do business in this state.

3257           **SECTION 106.** Section 75-76-207, Mississippi Code of 1972, is  
3258 brought forward as follows:

3259           75-76-207. (1) The purported sale, assignment, transfer,  
3260 pledge or other disposition of any security issued by a  
3261 corporation which holds a state gaming license or the granting of

3262 an option to purchase such a security is void unless approved in  
3263 advance by the commission.

3264 (2) If at any time the commission finds that an individual  
3265 owner of any such security is unsuitable to continue as a gaming  
3266 licensee in this state, the owner shall immediately offer the  
3267 security to the issuing corporation for purchase. The corporation  
3268 shall purchase the security so offered, for cash at fair market  
3269 value, within ten (10) days after the date of the offer.

3270 (3) Beginning upon the date when the commission serves upon  
3271 the corporation notice of a determination of unsuitability  
3272 pursuant to subsection (2), it is unlawful for the unsuitable  
3273 owner:

3274 (a) To receive any dividend or interest upon any such  
3275 security;

3276 (b) To exercise, directly or through any trustee or  
3277 nominee, any voting right conferred by such security; or

3278 (c) To receive any remuneration in any form from the  
3279 corporation, for services rendered or otherwise.

3280 (4) Every security issued by a corporation which holds a  
3281 gaming license must bear a statement, on both sides of the  
3282 certificate evidencing the security, of the restrictions imposed  
3283 by this section.

3284 **SECTION 107.** Section 75-76-209, Mississippi Code of 1972, is  
3285 brought forward as follows:

3286 75-76-209. A corporation which applies for a state gaming  
3287 license shall register as a corporation with the commission and  
3288 shall provide the following information to the executive director:

3289 (a) The organization, financial structure and nature of  
3290 the business to be operated, including the names, personal history  
3291 and fingerprints of all officers, directors and key employees, and  
3292 the names, addresses and number of shares held by all  
3293 stockholders.

3294           (b) The rights and privileges acquired by the holders  
3295 of different classes of authorized securities, including  
3296 debentures.

3297           (c) The terms on which securities are to be offered.

3298           (d) The terms and conditions of all outstanding loans,  
3299 mortgages, trust deeds, pledges or any other indebtedness or  
3300 security device.

3301           (e) The extent of the equity security holding in the  
3302 corporation of all officers, directors and underwriters, and their  
3303 remuneration as compensation for services, in the form of salary,  
3304 wages, fees or otherwise.

3305           (f) Remuneration to persons other than directors and  
3306 officers exceeding Thirty Thousand Dollars (\$30,000.00) per annum.

3307           (g) Bonus and profit sharing arrangements.

3308           (h) Management and service contracts.

3309           (i) Options existing or to be created.

3310           (j) Balance sheets for at least three (3) preceding  
3311 fiscal years, or, if the corporation has not been incorporated for  
3312 a period of three (3) years, balance sheets from the time of its  
3313 incorporation. All balance sheets shall be certified by  
3314 independent public accountants certified or registered in the  
3315 State of Mississippi.

3316           (k) Profit and loss statements for at least the three  
3317 (3) preceding fiscal years, or, if the corporation has not been  
3318 incorporated for a period of three (3) years, profit and loss  
3319 statements from the time of its incorporation. All profit and  
3320 loss statements shall be certified by independent public  
3321 accountants certified or registered in the State of Mississippi.

3322           (l) Any further financial data which the executive  
3323 director or the commission may deem necessary or appropriate for  
3324 the protection of the State of Mississippi or licensed gambling,  
3325 or both.

3326

3327           **SECTION 108.** Section 75-76-211, Mississippi Code of 1972, is  
3328 brought forward as follows:

3329           75-76-211. All officers and directors of the corporation  
3330 which holds or applies for a state gaming license must be licensed  
3331 individually, according to the provisions of this chapter; and if,  
3332 in the judgment of the commission, the public interest will be  
3333 served by requiring any or all of the corporation's individual  
3334 stockholders, lenders, holders of evidences of indebtedness,  
3335 underwriters, key executives, agents or employees to be licensed,  
3336 the corporation shall require such persons to apply for a license  
3337 in accordance with the laws and requirements in effect at the time  
3338 the commission requires such licensing. A person who is required  
3339 to be licensed by this section shall apply for a license within  
3340 thirty (30) days after he becomes an officer or director. A  
3341 person who is required to be licensed pursuant to a decision of  
3342 the commission shall apply for a license within thirty (30) days  
3343 after the executive director requests him to do so.

3344           **SECTION 109.** Section 75-76-213, Mississippi Code of 1972, is  
3345 brought forward as follows:

3346           75-76-213. (1) After licensing pursuant to this chapter,  
3347 but before the corporation may issue or transfer any security to  
3348 any person, it shall file a report of its proposed action with the  
3349 commission and the executive director, which report shall request  
3350 the approval of the commission. The commission shall have ninety  
3351 (90) days within which to approve or deny the request. If the  
3352 commission denies the request, the corporation shall not issue or  
3353 transfer any such security.

3354           (2) After licensing pursuant to this chapter, the  
3355 corporation shall file a report of each change of the corporate  
3356 officers and directors with the commission and the executive  
3357 director. The commission shall have ninety (90) days within which  
3358 to approve or disapprove such change. During such ninety-day  
3359 period and thereafter if the commission does not disapprove the

3360 change, such officer or director shall be entitled to exercise all  
3361 powers of the office to which he was so elected or appointed.

3362 **SECTION 110.** Section 75-76-215, Mississippi Code of 1972, is  
3363 brought forward as follows:

3364 75-76-215. (1) After licensing pursuant to this chapter,  
3365 the corporation shall:

3366 (a) Report to the commission and the executive director  
3367 in writing any change in corporate personnel who have been  
3368 designated by the commission or the executive director as key  
3369 executives.

3370 (b) Furnish the executive director an annual profit and  
3371 loss statement and an annual balance sheet.

3372 (2) The commission or the executive director may require  
3373 that any such corporation furnish the commission or the executive  
3374 director with a copy of its federal income tax return within  
3375 thirty (30) days after such return is filed with the federal  
3376 government.

3377 **SECTION 111.** Section 75-76-217, Mississippi Code of 1972, is  
3378 brought forward as follows:

3379 75-76-217. (1) If an employee of a corporate licensee who  
3380 is required to be licensed individually:

3381 (a) Does not apply for a license within thirty (30)  
3382 days after the executive director requests him to do so, and the  
3383 commission makes a finding of unsuitability for that reason; or

3384 (b) Is denied a license; or

3385 (c) Has his license revoked by the commission,  
3386 the corporate gaming licensee by whom he is employed shall  
3387 terminate his employment in any capacity in which he is required  
3388 to be licensed and shall not permit him to exercise a significant  
3389 influence over the operation of the gaming establishment upon  
3390 being notified by registered or certified mail of that action.

3391 (2) If the corporate licensee designates another employee to  
3392 replace the employee whose employment was terminated, it shall



3393 promptly notify the commission or the executive director and shall  
3394 cause the newly designated employee to apply for a gaming license.

3395 **SECTION 112.** Section 75-76-219, Mississippi Code of 1972, is  
3396 brought forward as follows:

3397 75-76-219. (1) The policy of the State of Mississippi with  
3398 respect to the issuance of state gaming licenses to limited  
3399 partnerships is:

3400 (a) To maintain effective control over the conduct of  
3401 gaming by limited partnership licensees.

3402 (b) To restrain any speculative promotion of limited  
3403 partnership interests in gaming enterprises.

3404 (2) The commission may waive, either selectively or by  
3405 general regulation, one or more of the requirements of Sections  
3406 75-76-221 through 75-76-231 if it makes a written finding that a  
3407 waiver is consistent with the state policy set forth in this  
3408 chapter.

3409 **SECTION 113.** Section 75-76-221, Mississippi Code of 1972, is  
3410 brought forward as follows:

3411 75-76-221. In order to be eligible to receive a state gaming  
3412 license, a limited partnership shall:

3413 (a) Be formed under the laws of this state;

3414 (b) Maintain an office of the limited partnership on  
3415 the licensed premises;

3416 (c) Comply with all of the requirements of the laws of  
3417 this state pertaining to limited partnerships; and

3418 (d) Maintain a ledger in the principal office of the  
3419 limited partnership in this state which must:

3420 (i) At all times reflect the ownership of all  
3421 interests in the limited partnership; and

3422 (ii) Be available for inspection by the commission  
3423 or the executive director or his employees at all reasonable times  
3424 without notice.

3425           **SECTION 114.** Section 75-76-223, Mississippi Code of 1972, is  
3426 brought forward as follows:

3427           75-76-223. (1) The sale, assignment, transfer, pledge or  
3428 other disposition of any interest in a limited partnership which  
3429 holds a state gaming license is ineffective unless approved in  
3430 advance by the commission.

3431           (2) If at any time the commission finds that an individual  
3432 owner of any such interest is unsuitable to hold that interest,  
3433 the commission shall immediately notify the limited partnership of  
3434 that fact. The limited partnership shall, within ten (10) days  
3435 from the date that it receives the notice from the commission,  
3436 return to the unsuitable owner, in cash, the amount of his capital  
3437 account as reflected on the books of the partnership.

3438           (3) Beginning on the date when the commission serves notice  
3439 upon the limited partnership of a determination of unsuitability  
3440 pursuant to subsection (2), it is unlawful for the unsuitable  
3441 owner:

3442                   (a) To receive any share of the profits or interest  
3443 upon any limited partnership interest;

3444                   (b) To exercise, directly or through any trustee or  
3445 nominee, any voting right conferred by such interest; or

3446                   (c) To receive any remuneration in any form from the  
3447 limited partnership, for services rendered or otherwise.

3448           (4) The certificate of limited partnership of any limited  
3449 partnership holding a state gaming license must contain a  
3450 statement of the restrictions imposed by this section.

3451           **SECTION 115.** Section 75-76-225, Mississippi Code of 1972, is  
3452 brought forward as follows:

3453           75-76-225. A limited partnership which applies for a state  
3454 gaming license shall register as a limited partnership with the  
3455 commission and shall provide the following information to the  
3456 executive director:

3457           (a) The organization, financial structure and nature of  
3458 the business to be operated, including the names, personal history  
3459 and fingerprints of all general partners and key employees, and  
3460 the name, address and interest of each limited partner.

3461           (b) The rights, privileges and relative priorities of  
3462 limited partners as to the return of contributions to capital, and  
3463 the right to receive income.

3464           (c) The terms on which limited partnership interests  
3465 are to be offered.

3466           (d) The terms and conditions of all outstanding loans,  
3467 mortgages, trust deeds, pledges or any other indebtedness or  
3468 security device.

3469           (e) The extent of the holding in the limited  
3470 partnership of all underwriters, and their remuneration as  
3471 compensation for services, in the form of salary, wages, fees or  
3472 otherwise.

3473           (f) Remuneration to persons other than general partners  
3474 exceeding Thirty Thousand Dollars (\$30,000.00) per annum.

3475           (g) Bonus and profit sharing arrangements.

3476           (h) Management and service contracts.

3477           (i) Options existing, or to be created.

3478           (j) Balance sheets for at least the three (3) preceding  
3479 fiscal years, or, if the limited partnership has not been in  
3480 existence for three (3) years, balance sheets from the time of its  
3481 formation. All balance sheets must be certified by independent  
3482 public accountants certified or registered in this state.

3483           (k) Profit and loss statements for at least the three  
3484 (3) preceding fiscal years, or, if the limited partnership has not  
3485 been in existence for three (3) years, profit and loss statements  
3486 from the time of its formation. All profit and loss statements  
3487 must be certified by independent public accountants certified or  
3488 registered in this state.

3489           (1) Commission may deem necessary or appropriate for  
3490 the protection of the State of Mississippi or licensed gambling,  
3491 or both.

3492           **SECTION 116.** Section 75-76-227, Mississippi Code of 1972, is  
3493 brought forward as follows:

3494           75-76-227. Every general partner and limited partner of a  
3495 limited partnership which holds or applies for a state gaming  
3496 license must be licensed individually, according to the provisions  
3497 of this chapter; and if, in the judgment of the commission, the  
3498 public interest will be served by requiring any or all of the  
3499 limited partnership's lenders, holders of evidence of  
3500 indebtedness, underwriters, key executives, agents or employees to  
3501 be licensed, the limited partnership shall require those persons  
3502 to apply for a license in accordance with the laws and  
3503 requirements in effect at the time the commission requires the  
3504 licensing. Publicly traded corporations which are limited  
3505 partners of limited partnerships are not required to be licensed  
3506 but shall comply with this chapter. A person who is required to  
3507 be licensed as a general or limited partner shall not receive that  
3508 position until he secures the required approval of the commission.  
3509 A person who is required to be licensed pursuant to a decision of  
3510 the commission shall apply for a license within thirty (30) days  
3511 after the executive director requests him to do so.

3512           **SECTION 117.** Section 75-76-229, Mississippi Code of 1972, is  
3513 brought forward as follows:

3514           75-76-229. (1) After licensing pursuant to this chapter,  
3515 the limited partnership shall:

3516           (a) Report to the commission and the executive director  
3517 in writing any change in personnel who have been designated by the  
3518 commission as key executives.

3519           (b) Furnish the executive director an annual profit and  
3520 loss statement and an annual balance sheet.

3521           (2) The commission or the executive director may require  
3522 that any limited partnership furnish the commission or the  
3523 executive director with a copy of its federal income tax return  
3524 within thirty (30) days after the return is filed with the federal  
3525 government.

3526           **SECTION 118.** Section 75-76-231, Mississippi Code of 1972, is  
3527 brought forward as follows:

3528           75-76-231. (1) If an employee of a limited partnership  
3529 licensee who is required to be licensed individually:

3530           (a) Does not apply for a license within thirty (30)  
3531 days after the executive director requests him to do so, and the  
3532 commission makes a finding of unsuitability for that reason; or

3533           (b) Is denied a license; or

3534           (c) Has his license revoked by the commission,  
3535 the limited partnership gaming licensee by whom he is employed  
3536 shall terminate his employment upon notification by registered or  
3537 certified mail to the limited partnership of that action.

3538           (2) If the limited partnership licensee designates another  
3539 employee to replace the employee whose employment was terminated,  
3540 it shall promptly notify the commission or the executive director  
3541 and cause the newly designated employee to apply for a gaming  
3542 license.

3543           **SECTION 119.** Section 75-76-233, Mississippi Code of 1972, is  
3544 brought forward as follows:

3545           75-76-233. Sections 75-76-235 through 75-76-241, inclusive,  
3546 apply to every holding company or intermediary company except a  
3547 publicly traded corporation which has been exempted from the  
3548 operation of all or some of the provisions of such sections.

3549           **SECTION 120.** Section 75-76-235, Mississippi Code of 1972, is  
3550 brought forward as follows:

3551           75-76-235. (1) If the corporation applying for or holding a  
3552 license is or becomes a subsidiary, each holding company and each  
3553 intermediary company with respect thereto must:

3554 (a) Qualify to do business in the State of Mississippi.

3555 (b) If it is a corporation, register with the  
3556 commission and furnish the executive director:

3557 (i) A complete list of all stockholders when it  
3558 first registers, and annually thereafter, within thirty (30) days  
3559 after the annual meeting of the stockholders of the corporation,  
3560 showing the number of shares held by each;

3561 (ii) The names of all corporate officers within  
3562 thirty (30) days of their appointment; and

3563 (iii) The names of all members of the directors  
3564 within thirty (30) days of their election.

3565 (c) If it is a firm, partnership, trust or other form  
3566 of business organization, it must register with the commission and  
3567 furnish the executive director such analogous information as the  
3568 executive director may prescribe.

3569 (2) The commission or the executive director may, in their  
3570 discretion, make such investigations concerning the officers,  
3571 directors, underwriters, security holders, partners, principals,  
3572 trustees or direct or beneficial owners of any interest in any  
3573 holding company or intermediary company as it deems necessary,  
3574 either at the time of initial registration or at any time  
3575 thereafter.

3576 (3) If at any time the commission finds that any person  
3577 owning, controlling or holding with power to vote all or any part  
3578 of any class of security of, or any interest in, any holding  
3579 company or intermediary company is unsuitable to be connected with  
3580 a licensed gaming enterprise, it shall so notify such unsuitable  
3581 person, the holding company or intermediary company, or both.  
3582 Such unsuitable person shall immediately offer such security to  
3583 the issuing corporation, or such interest to the firm,  
3584 partnership, trust or other business organization, for purchase.  
3585 The corporation shall purchase the security so offered, or the  
3586 firm, partnership, trust or other business organization shall

3587 purchase the interest so offered, for cash at fair market value  
3588 within ten (10) days after the date of the offer.

3589 (4) Beginning upon the date when the commission serves  
3590 notice of a determination of unsuitability pursuant to subsection  
3591 (3), it is unlawful for the unsuitable person:

3592 (a) To receive any dividend or interest upon any such  
3593 securities, or any dividend, payment or distribution of any kind  
3594 from any holding company or intermediary company;

3595 (b) To exercise, directly or indirectly or through any  
3596 proxy, trustee or nominee, any voting right conferred by such  
3597 securities or interest; or

3598 (c) To receive any remuneration in any form from the  
3599 corporation gaming licensee, or from any holding company or  
3600 intermediary company with respect thereto, for services rendered  
3601 or otherwise.

3602 (5) Every security issued by a holding company or  
3603 intermediary company which directly or indirectly:

3604 (a) Owns;

3605 (b) Has the power or right to control; or

3606 (c) Holds with power to vote

3607 all or any part of the outstanding equity securities of a  
3608 corporate gaming licensee shall bear a statement, on both sides of  
3609 the certificate evidencing such security, of the restrictions  
3610 imposed by this section.

3611 (6) A holding company or intermediary company subject to  
3612 subsection (1) shall not make any public offering of any of its  
3613 securities unless such public offering has been approved by the  
3614 commission.

3615 (7) The commission may, at any time and from time to time,  
3616 by general regulation or selectively, impose on any holding  
3617 company or intermediary company any requirement not inconsistent  
3618 with law which it may deem necessary in the public interest.

3619 Without limiting the generality of the preceding sentence, any

3620 such requirement may deal with the same subject matter as, but be  
3621 more stringent than, the requirements imposed by Sections  
3622 75-76-199, through 75-76-265, inclusive.

3623         **SECTION 121.** Section 75-76-237, Mississippi Code of 1972, is  
3624 brought forward as follows:

3625         75-76-237. (1) Each officer, employee, director, partner,  
3626 principal, trustee or direct or beneficial owner of any interest  
3627 in any holding company or intermediary company who the commission  
3628 determines is or is to become engaged in the administration or  
3629 supervision of, or any other significant involvement with, the  
3630 activities of a corporate licensee, must be found suitable  
3631 therefor and may be required to be licensed by the commission.

3632         (2) If any officer, employee, director, partner, principal,  
3633 trustee or direct or beneficial owner required to be found  
3634 suitable pursuant to subsection (1) fails to apply for a finding  
3635 of suitability or a gaming license within thirty (30) days after  
3636 being requested so to do by the executive director, is not found  
3637 suitable or is denied a license by the commission, or if his  
3638 license or the finding of his suitability is revoked after  
3639 appropriate findings by the commission, the holding company or  
3640 intermediary company, or both, shall immediately remove that  
3641 person from any position in the administration or supervision of,  
3642 or any other significant involvement with, the activities of the  
3643 corporate licensee. If the commission suspends the suitability or  
3644 license of any officer, employee, director, partner, principal,  
3645 trustee or owner, the holding company or intermediary company, or  
3646 both, shall, immediately and for the duration of the suspension,  
3647 suspend him from performing any duties in administration or  
3648 supervision of the activities of the corporate licensee and from  
3649 any other significant involvement therewith.

3650         **SECTION 122.** Section 75-76-239, Mississippi Code of 1972, is  
3651 brought forward as follows:



3652           75-76-239. If the corporation applying for or holding a  
3653 license is or becomes a subsidiary, each holding company and  
3654 intermediary company shall furnish the executive director the  
3655 following information:

3656           (a) The organization, financial structure and nature of  
3657 the business it operates.

3658           (b) The terms, position, rights and privileges of the  
3659 different classes of securities outstanding.

3660           (c) The terms on which its securities are to be, and  
3661 during the preceding three (3) years have been, offered to the  
3662 public or otherwise.

3663           (d) The terms and conditions of all outstanding loans,  
3664 mortgages, trust deeds, pledges, or any other indebtedness or  
3665 security device pertaining to the corporate gaming licensee.

3666           (e) The extent of the security holding or other  
3667 interest in the holding company or intermediary company of all  
3668 officers, employees, directors, underwriters, partners,  
3669 principals, trustees or any direct or beneficial owner, and any  
3670 remuneration as compensation for their services, in the form of  
3671 salary, wages, fees, or by contract, pertaining to the corporate  
3672 gaming licensee.

3673           (f) Remuneration to others than directors and officers  
3674 exceeding Forty Thousand Dollars (\$40,000.00) per annum.

3675           (g) Bonus and profit sharing arrangements.

3676           (h) Management and service contracts.

3677           (i) Options existing or to be created in respect of  
3678 their securities or other interests.

3679           (j) Balance sheets, certified by independent certified  
3680 public accountants, for not more than the three (3) preceding  
3681 fiscal years or, if the holding company or intermediary company  
3682 has not been in existence more than three (3) years, balance  
3683 sheets from the time of its establishment.

3684 (k) Profit and loss statements, certified by  
3685 independent certified public accountants, for not more than the  
3686 three (3) preceding fiscal years, or, if the holding company or  
3687 intermediary company has not been in existence more than three (3)  
3688 years, profit and loss statements from the time of its  
3689 establishment.

3690 (l) Any further financial statements which the  
3691 executive director or the commission may deem necessary or  
3692 appropriate for the protection of the State of Mississippi,  
3693 licensed gambling, or both.

3694 (m) An annual profit and loss statement and annual  
3695 balance sheet, and a copy of its annual federal income tax return  
3696 within thirty (30) days after such return is filed with the  
3697 federal government.

3698 **SECTION 123.** Section 75-76-241, Mississippi Code of 1972, is  
3699 brought forward as follows:

3700 75-76-241. If any corporate or limited partnership licensee,  
3701 or if any holding company or intermediary company with respect  
3702 thereto, does not comply with the laws of this state and the  
3703 regulations of the commission, the commission may, in its  
3704 discretion, do any one, all or a combination of the following:

3705 (a) Revoke, limit, condition or suspend the gaming  
3706 license of the corporate or limited partnership licensee; or

3707 (b) Fine the persons involved, or the corporate or  
3708 limited partnership licensee, or such holding company or  
3709 intermediary company, in accordance with the laws of this state  
3710 and the regulations of the commission.

3711 **SECTION 124.** Section 75-76-243, Mississippi Code of 1972, is  
3712 brought forward as follows:

3713 75-76-243. The Legislature hereby declares that:

3714 (a) Some corporate acquisitions, repurchases of  
3715 securities and corporate defense tactics affecting corporate  
3716 gaming licensees and publicly traded corporations that are

3717 affiliated companies can constitute business practices which may  
3718 be injurious to stable and productive corporate gaming.

3719 (b) A regulatory scheme established to ameliorate the  
3720 potential adverse effects of these business practices upon the  
3721 gaming industry must be properly developed to balance the  
3722 interests of Mississippi gaming, interstate commerce and federal  
3723 regulation of securities.

3724 (c) A regulatory scheme established to ameliorate the  
3725 potential adverse effects of these business practices upon the  
3726 gaming industry may best be accomplished by the adoption and  
3727 enforcement of regulations by the commission.

3728 **SECTION 125.** Section 75-76-245, Mississippi Code of 1972, is  
3729 brought forward as follows:

3730 75-76-245. The policy of the State of Mississippi with  
3731 respect to corporate acquisitions, repurchases of securities and  
3732 corporate recapitalizations affecting corporate licensees and  
3733 publicly traded corporations that are affiliated companies is to:

3734 (a) Assure the financial stability of corporate  
3735 licensees and affiliated companies;

3736 (b) Preserve the beneficial aspects of conducting  
3737 business in the corporate form; and

3738 (c) Promote a neutral environment for the orderly  
3739 governance of corporate affairs that is consistent with the public  
3740 policy of this state concerning gaming.

3741 **SECTION 126.** Section 75-76-247, Mississippi Code of 1972, is  
3742 brought forward as follows:

3743 75-76-247. The commission may adopt regulations providing  
3744 for the review and approval of corporate acquisitions, repurchases  
3745 of securities and corporate defense tactics affecting corporate  
3746 gaming licensees and publicly traded corporations that are  
3747 affiliated companies. The regulations must be consistent with:

3748 (a) The policy of this state as expressed in this  
3749 chapter;

- 3750           (b) The provisions of this chapter;  
3751           (c) The requirements of the Constitution of the United  
3752 States; and  
3753           (d) Federal regulation of securities.

3754           **SECTION 127.** Section 75-76-249, Mississippi Code of 1972, is  
3755 brought forward as follows:

3756           75-76-249. The commission may exempt a publicly traded  
3757 corporation from compliance with:

- 3758           (a) The provisions of Section 75-76-207.  
3759           (b) Some or all of the provisions of Sections 75-76-235  
3760 through 75-76-241. To the extent of such an exemption, the  
3761 corporation shall comply instead with the provisions of Sections  
3762 75-76-253 through 75-76-265, except as otherwise ordered by the  
3763 commission.

3764           **SECTION 128.** Section 75-76-251, Mississippi Code of 1972, is  
3765 brought forward as follows:

3766           75-76-251. (1) A corporation or other legal entity which is  
3767 organized under the laws of another country and seeks to register  
3768 with the commission as a publicly traded corporation must submit  
3769 an application to the executive director.

3770           (2) The application must provide the executive director with  
3771 information showing that the applicant's business activities are  
3772 regulated by a governmental authority of the foreign country in a  
3773 manner which will prevent those activities from posing any threat  
3774 to the control of gaming in this state.

3775           (3) The executive director may conduct an investigation of  
3776 the applicant and the governmental authority responsible for  
3777 regulation of the applicant. The executive director shall require  
3778 the applicant to pay the executive director's anticipated expenses  
3779 for such an investigation, and may, after completing such an  
3780 investigation, charge the applicant any amount necessary to cover  
3781 an underpayment of the actual expenses.

3782           **SECTION 129.** Section 75-76-253, Mississippi Code of 1972, is  
3783 brought forward as follows:

3784           75-76-253. In determining whether to recommend that the  
3785 commission approve an application submitted pursuant to Section  
3786 75-76-251, the executive director may consider, in addition to all  
3787 other requirements of this chapter:

3788           (a) Whether the governmental authority in the foreign  
3789 country has an effective system to regulate the applicant and the  
3790 relations between the investing public and the applicant and other  
3791 corporations listed on the exchange;

3792           (b) Whether the system includes:

3793                   (i) A requirement that the listed corporations  
3794 make full disclosure of information to the investing public;

3795                   (ii) A requirement that the listed corporations  
3796 file periodic reports with the governmental authority;

3797                   (iii) A method to prevent any manipulation of the  
3798 prices of securities or any employment of deceptive or misleading  
3799 devices; and

3800                   (iv) A restriction on margins to prevent any  
3801 excessive use of credit for the purchase or carrying of securities  
3802 listed on the exchange;

3803           (c) The availability of means by which the commission  
3804 or the executive director may obtain adequate information from the  
3805 governmental authority in the foreign country concerning the  
3806 applicant's activities and/or supervision of the gaming activities  
3807 of the corporate or limited partnership gaming licensee;

3808           (d) Such other matters as the executive director or the  
3809 commission finds it necessary to consider to protect regulated  
3810 gaming in Mississippi. The executive director may recommend the  
3811 rejection of any such application without a hearing.

3812           **SECTION 130.** Section 75-76-255, Mississippi Code of 1972, is  
3813 brought forward as follows:

3814           75-76-255. (1) If a corporation or limited partnership  
3815 applying for or holding a state gaming license is or becomes owned  
3816 in whole or in part or controlled by a publicly traded  
3817 corporation, such publicly traded corporation must:

3818           (a) Maintain a ledger in the principal office of its  
3819 subsidiary which is licensed to conduct gaming in this state which  
3820 must:

3821           (i) Reflect the ownership of record of each  
3822 outstanding share of any class of equity security issued by the  
3823 publicly traded corporation. The ledger may initially consist of  
3824 a copy of its latest list of equity security holders and  
3825 thereafter be maintained by adding a copy of such material it  
3826 regularly receives from the transfer agent for its equity  
3827 securities of any class which are outstanding.

3828           (ii) Be available for inspection by the commission  
3829 or the executive director and his employees at all reasonable  
3830 times without notice.

3831           (b) Register with the commission and provide the  
3832 following information to the executive director:

3833           (i) The organization, financial structure and  
3834 nature of the business of the publicly traded corporation,  
3835 including the names of all officers, directors and any employees  
3836 actively and directly engaged in the administration or supervision  
3837 of the activities of the corporate or limited partnership gaming  
3838 licensee, and the names, addresses and number of shares held of  
3839 record by holders of its equity securities.

3840           (ii) The rights and privileges accorded the  
3841 holders of different classes of its authorized equity securities.

3842           (iii) The terms on which its equity securities are  
3843 to be, and during the preceding three (3) years have been, offered  
3844 by the corporation to the public or otherwise initially issued by  
3845 it.

3846 (iv) The terms and conditions of all its  
3847 outstanding loans, mortgages, trust deeds, pledges or any other  
3848 indebtedness or security device, directly relating to the gaming  
3849 activities of the corporate or limited partnership gaming  
3850 licensee.

3851 (v) The extent of the equity security holdings of  
3852 record in the publicly traded corporation of all officers,  
3853 directors, underwriters and persons owning of record equity  
3854 securities of any class of the publicly traded corporation, and  
3855 any payment received by any such person from the publicly traded  
3856 corporation for each of its three (3) preceding fiscal years for  
3857 any reason whatsoever.

3858 (vi) Remuneration exceeding Forty Thousand Dollars  
3859 (\$40,000.00) per annum to persons other than directors and  
3860 officers who are actively and directly engaged in administration  
3861 or supervision of the gaming activities of the corporate or  
3862 limited partnership gaming licensee.

3863 (vii) Bonus and profit-sharing arrangements of the  
3864 publicly traded corporation directly or indirectly relating to the  
3865 gaming activities of the corporate or limited partnership gaming  
3866 licensee.

3867 (viii) Management and service contracts of the  
3868 publicly traded corporation directly or indirectly relating to the  
3869 gaming activities of the corporate or limited partnership gaming  
3870 licensee.

3871 (ix) Options existing or from time to time created  
3872 in respect of its equity securities.

3873 (x) Balance sheets, certified by independent  
3874 public accountants, for at least the three (3) preceding fiscal  
3875 years, or if the publicly traded corporation has not been  
3876 incorporated for a period of three (3) years, balance sheets from  
3877 the time of its incorporation. These balance sheets may be those

3878 filed by it with or furnished by it to the Securities and Exchange  
3879 Commission.

3880 (xi) Profit and loss statements, certified by  
3881 independent certified public accountants, for at least three (3)  
3882 preceding fiscal years, or, if the publicly traded corporation has  
3883 not been incorporated for a period of three (3) years, profit and  
3884 loss statements from the time of its incorporation. These profit  
3885 and loss statements may be those filed by it with or furnished by  
3886 it to the Securities and Exchange Commission.

3887 (xii) Any further information within the knowledge  
3888 or control of the publicly traded corporation which either the  
3889 commission or the executive director may deem necessary or  
3890 appropriate for the protection of this state or licensed gambling,  
3891 or both. The commission or the executive director may, in their  
3892 discretion, make such investigation of the publicly traded  
3893 corporation or any of its officers, directors, security holders or  
3894 other persons associated therewith as they deem necessary.

3895 (2) If the publicly traded corporation is a foreign  
3896 corporation, it must also qualify to do business in this state.

3897 (3) The commission may, at any time and from time to time,  
3898 by general regulation or selectively, impose on any publicly  
3899 traded corporation any requirement not inconsistent with law which  
3900 it may deem necessary in the public interest. Without limiting  
3901 the generality of the preceding sentence, any such requirement may  
3902 deal with the same subject matter as, but be more stringent than,  
3903 the requirements imposed by Sections 75-76-199 through 75-76-265,  
3904 inclusive.

3905 **SECTION 131.** Section 75-76-257, Mississippi Code of 1972, is  
3906 brought forward as follows:

3907 75-76-257. (1) Each officer and employee of a publicly  
3908 traded corporation who the commission determines is, or is to  
3909 become, actively and directly engaged in the administration or  
3910 supervision of, or any other significant involvement with, the



3911 activities of the corporate or limited partnership gaming licensee  
3912 must be found suitable therefor and may be required to be licensed  
3913 by the commission. Each director of a publicly traded corporation  
3914 who the commission determines is, or is to become, actively and  
3915 directly engaged in the administration or supervision of the  
3916 gaming activities at a licensed gaming establishment of the  
3917 corporate or limited partnership licensee must be found suitable  
3918 therefor and may be required to be licensed by the commission.

3919 (2) If any officer, director or employee of a publicly  
3920 traded corporation required to be licensed or found suitable  
3921 pursuant to subsection (1) fails to apply for a gaming license or  
3922 finding of suitability within thirty (30) days after being  
3923 requested to do so by the executive director, or is denied a  
3924 license or not found suitable by the commission, or if his license  
3925 or the finding of his suitability is revoked after appropriate  
3926 findings by the commission, the publicly traded corporation shall  
3927 immediately remove that officer or employee from any office or  
3928 position wherein he is actively and directly engaged in the  
3929 administration or supervision of, or any other significant  
3930 involvement with, the activities of the corporate or limited  
3931 partnership gaming licensee, or shall immediately remove that  
3932 director from any office or position wherein he is actively and  
3933 directly engaged in the administration or supervision of the  
3934 gaming activities of the corporate or limited partnership gaming  
3935 licensee. If the commission suspends the finding of suitability  
3936 of any officer, director or employee, the publicly traded  
3937 corporation shall, immediately and for the duration of the  
3938 suspension, suspend that officer or employee from performance of  
3939 any duties wherein he is actively and directly engaged in  
3940 administration or supervision of, or any other significant  
3941 involvement with, the activities of the corporate or limited  
3942 partnership gaming licensee, or immediately and for the duration  
3943 of the suspension suspend that director from performance of any

3944 duties wherein he is actively and directly engaged in  
3945 administration or supervision of the activities at a licensed  
3946 gaming establishment of the corporate or limited partnership  
3947 licensee.

3948         **SECTION 132.** Section 75-76-259, Mississippi Code of 1972, is  
3949 brought forward as follows:

3950         75-76-259. (1) Except as provided in subsection (2), after  
3951 the publicly traded corporation has registered pursuant to this  
3952 chapter, and while the subsidiary holds a gaming license, the  
3953 publicly traded corporation shall:

3954             (a) Report promptly to the executive director in  
3955 writing any change in its officers, directors or employees who are  
3956 actively and directly engaged in the administration or supervision  
3957 of the gaming activities of the corporate or limited partnership  
3958 gaming licensee.

3959             (b) Each year furnish to the executive director a  
3960 profit and loss statement and a balance sheet of the publicly  
3961 traded corporation as of the end of the year and, upon request of  
3962 the executive director therefor, a copy of the publicly traded  
3963 corporation's federal income tax return within thirty (30) days  
3964 after the return is filed with the federal government. All profit  
3965 and loss statements and balance sheets must be submitted within  
3966 one hundred twenty (120) days after the close of the fiscal year  
3967 to which they relate and may be those filed by the publicly traded  
3968 corporation with or furnished by it to the Securities and Exchange  
3969 Commission.

3970             (c) Mail to the executive director a copy of any  
3971 statement, or amendment thereto, received from a stockholder or  
3972 group of stockholders pursuant to Section 13(d) of the Securities  
3973 Exchange Act of 1934, as amended, within ten (10) days after  
3974 receiving the statement or amendment thereto, and report promptly  
3975 to the executive director in writing any changes in ownership of  
3976 record of its equity securities which indicate that any person has

3977 become the owner of record of more than ten percent (10%) of its  
3978 outstanding equity securities of any class.

3979 (d) Upon request of the executive director, furnish to  
3980 it a copy of any document filed by the publicly traded corporation  
3981 with the Securities and Exchange Commission or with any national  
3982 or regional securities exchange, including documents considered to  
3983 be confidential in nature, or any document furnished by it to any  
3984 of its equity security holders of any class.

3985 (2) A publicly traded corporation which was created under  
3986 the laws of a foreign country shall, instead of complying with  
3987 subsection (1):

3988 (a) Each year furnish to the executive director a  
3989 profit and loss statement and a balance sheet of the publicly  
3990 traded corporation as of the end of the year, and, upon request of  
3991 the executive director therefor, a copy of the publicly traded  
3992 corporation's federal income tax return within thirty (30) days  
3993 after the return is filed with the federal government. All profit  
3994 and loss statements and balance sheets must be submitted within  
3995 one hundred twenty (120) days after the close of the fiscal year  
3996 to which they relate and may be those filed by the publicly traded  
3997 corporation with or furnished by it to the foreign governmental  
3998 agency that regulates the sale of its securities.

3999 (b) Mail to the executive director a copy of any  
4000 statement, or amendment thereto, received from a stockholder or  
4001 group of stockholders pursuant to law, within ten (10) days after  
4002 receiving the statement or amendment thereto, and report promptly  
4003 to the executive director in writing any changes in ownership of  
4004 record of its equity securities which indicate that any person has  
4005 become the owner of record of more than ten percent (10%) of its  
4006 outstanding equity securities of any class.

4007 (c) Upon request of the executive director, furnish to  
4008 it a copy of any document filed by the publicly traded corporation  
4009 with the foreign governmental agency that regulates the sale of

4010 its securities exchange, including documents considered to be  
4011 confidential in nature, or any document furnished by it to any of  
4012 its equity security holders of any class.

4013         **SECTION 133.** Section 75-76-261, Mississippi Code of 1972, is  
4014 brought forward as follows:

4015         75-76-261. If any corporate or limited partnership licensee  
4016 owned or controlled by a publicly traded corporation subject to  
4017 the provisions of this chapter, or that publicly traded  
4018 corporation, does not comply with the laws of this state and the  
4019 regulations of the commission, the commission may, in its  
4020 discretion, do any one, all or a combination of the following:

4021             (a) Revoke, limit, condition or suspend the gaming  
4022 license of the corporate or limited partnership licensee; or

4023             (b) Fine the persons involved, the corporate or limited  
4024 partnership licensee or the publicly traded corporation in  
4025 accordance with the laws of this state and the regulations of the  
4026 commission.

4027         **SECTION 134.** Section 75-76-263, Mississippi Code of 1972, is  
4028 brought forward as follows:

4029         75-76-263. (1) Each person who acquires, directly or  
4030 indirectly, beneficial ownership of any voting security in a  
4031 publicly traded corporation which is registered with the  
4032 commission may be required to be found suitable if the commission  
4033 has reason to believe that his acquisition of such ownership would  
4034 otherwise be inconsistent with the declared policy of this state.

4035             (2) Each person who, individually or in association with  
4036 others, acquires, directly or indirectly, beneficial ownership of  
4037 more than five percent (5%) of any class of voting securities of  
4038 publicly traded corporation registered with the commission, and  
4039 who is required to report such acquisition to the Securities and  
4040 Exchange Commission pursuant to Section 13(d)(1), 13(g) or 16(a)  
4041 of the Securities Exchange Act of 1934, as amended (15 USCS  
4042 78m(d)(1), 78m(g) and 78p(a), respectively), shall file a copy of

4043 that report, and any amendments thereto, with the commission  
4044 within ten (10) days after filing that report with the Securities  
4045 and Exchange Commission.

4046 (3) Each person who, individually or in association with  
4047 others, acquires, directly or indirectly, the beneficial ownership  
4048 of more than ten percent (10%) of any class of voting securities  
4049 of a publicly traded corporation registered with the commission,  
4050 and who is required to report the acquisition pursuant to Section  
4051 13(d)(1), 13(g) or 16(a) of the Securities Exchange Act of 1934,  
4052 as amended (15 USCS 78m(d)(1), 78m(d)(1), 78m(g) and 78p(a),  
4053 respectively), must be found suitable by the commission.

4054 (4) A person who acquires beneficial ownership of any voting  
4055 security in a publicly traded corporation created under the laws  
4056 of a foreign country which is registered with the commission shall  
4057 file such reports and is subject to such a finding of suitability  
4058 as the commission may prescribe.

4059 (5) Any person required by the commission or by this section  
4060 to be found suitable shall:

4061 (a) Apply for a finding of suitability within thirty  
4062 (30) days after the executive director requests that he do so; and

4063 (b) Together with the application, deposit with the  
4064 State Tax Commission a sum of money which, in the opinion of the  
4065 executive director, will be adequate to pay the anticipated costs  
4066 and charges incurred in the investigation and processing of the  
4067 application, and deposit such additional sums as are required by  
4068 the executive director to pay final costs and charges.

4069 (6) Any person required by the commission or this section to  
4070 be found suitable by the commission shall not hold directly or  
4071 indirectly the beneficial ownership of any voting security of a  
4072 publicly traded corporation which is registered with the  
4073 commission beyond that period of time prescribed by the  
4074 commission.

4075 (7) The violation of subsection (5) or (6) is a misdemeanor.

4076           **SECTION 135.** Section 75-76-265, Mississippi Code of 1972, is  
4077 brought forward as follows:

4078           75-76-265. If any person who is required by or pursuant to  
4079 this chapter to be licensed or found suitable because of his  
4080 connection with a corporate licensee, holding company or  
4081 intermediary company, including a publicly traded corporation,  
4082 fails to apply for a license or a finding of suitability, or if  
4083 his license or finding of suitability is revoked, the corporate  
4084 licensee, holding company, intermediary company or any person who  
4085 directly or indirectly controls, is controlled by or is under  
4086 common control with the corporate licensee, holding company or  
4087 intermediary company shall not, after receipt of written notice  
4088 from the commission:

4089           (a) Pay him any remuneration for any service relating  
4090 to the activities of a corporate licensee, except for amounts due  
4091 for services rendered before the date of receipt of notice of such  
4092 action by the commission. Any contract or agreement for personal  
4093 services or the conduct of any activity at a licensed gaming  
4094 establishment between a former employee whose employment was  
4095 terminated because of failure to apply for a license or a finding  
4096 of suitability, denial of a license or finding of suitability, or  
4097 revocation of a license or a finding of suitability, or any  
4098 business enterprise under the control of that employee and the  
4099 corporate licensee, holding or intermediary company or registered  
4100 publicly traded corporation is subject to termination. Every such  
4101 agreement shall be deemed to include a provision for its  
4102 termination without liability on the part of the licensee upon a  
4103 finding by the commission that the business or any person  
4104 associated therewith is unsuitable to be associated with a gaming  
4105 enterprise. Failure expressly to include such a condition in the  
4106 agreement is not a defense in any action brought pursuant to this  
4107 section to terminate the agreement.

4108           (b) Enter into any contract or agreement with him or  
4109 with a business organization under his control which involves the  
4110 operations of a corporate licensee, without the prior approval of  
4111 the executive director.

4112           (c) Employ him in any position involving the activities  
4113 of a corporate licensee without prior approval of the executive  
4114 director.

4115           **SECTION 136.** Section 75-76-267, Mississippi Code of 1972, is  
4116 brought forward as follows:

4117           75-76-267. (1) Conviction by a court of competent  
4118 jurisdiction of a person for a violation of, an attempt to  
4119 violate, or a conspiracy to violate any of the provisions of this  
4120 chapter shall act as an immediate revocation of all licenses which  
4121 have been issued to the violator, and, in addition, the court may,  
4122 upon application of the district attorney of the county or of the  
4123 commission, order that no new or additional license under this  
4124 chapter be issued to the violator, or be issued to any person for  
4125 the room or premises in which the violation occurred, for one (1)  
4126 year after the date of the revocation.

4127           (2) Any person who willfully fails to report, pay or  
4128 truthfully account for and pay over any license fee or tax imposed  
4129 by the provisions of this chapter, or willfully attempts in any  
4130 manner to evade or defeat any such license fee, tax or payment  
4131 thereof, shall be punished by commitment to the custody of the  
4132 Department of Corrections for not less than one (1) year nor more  
4133 than six (6) years, or by a fine of not more than Five Thousand  
4134 Dollars (\$5,000.00), or by both fine and imprisonment.

4135           (3) Except as provided in subsection (4), any person who  
4136 willfully violates, attempts to violate, or conspires to violate  
4137 any of the provisions of subsection (1) of Section 75-76-57, shall  
4138 be punished by commitment to the custody of the Department of  
4139 Corrections for not less than one (1) year nor more than twenty

4140 (20) years, by a fine of not more than Fifty Thousand Dollars  
4141 (\$50,000.00), or by both fine and imprisonment.

4142 (4) A licensee who puts additional games or slot machines  
4143 into play or displays additional games or slot machines in a  
4144 public area without first obtaining all required licenses and  
4145 approval is subject only to the penalties provided in Sections  
4146 75-76-93 and 75-76-103 and in any applicable ordinance of the  
4147 county or municipality.

4148 (5) The violation of any of the provisions of this chapter,  
4149 the penalty for which is not specifically fixed in this chapter,  
4150 is a misdemeanor.

4151 **SECTION 137.** Section 75-76-269, Mississippi Code of 1972, is  
4152 brought forward as follows:

4153 75-76-269. For the purposes of Sections 75-76-271 through  
4154 75-76-277:

4155 (a) "Foreign gaming" means any gaming operations  
4156 outside this state.

4157 (b) "Licensee" means a person who:

4158 (i) Is licensed or required to be licensed  
4159 pursuant to Section 75-76-57 or 75-76-63; or

4160 (ii) Is or is required to be licensed, registered  
4161 or found suitable pursuant to Sections 75-76-199 through  
4162 75-76-265, inclusive; or

4163 (iii) Directly or through one or more  
4164 intermediaries controls, is controlled by or is under common  
4165 control with a person described in subsection (i) or (ii).

4166 **SECTION 138.** Section 75-76-271, Mississippi Code of 1972, is  
4167 brought forward as follows:

4168 75-76-271. (1) Except as provided in subsections (2), (3)  
4169 and (5), no licensee may be involved in foreign gaming without the  
4170 prior approval of the commission, acting upon a recommendation of  
4171 the executive director. Any approval granted under this section



4172 is a privilege which may be revoked, suspended, conditioned,  
4173 limited or restricted by the commission at any time.

4174 (2) The commission may, based on such factors as it deems  
4175 relevant, grant preliminary approval to a licensee for involvement  
4176 in foreign gaming. Any preliminary approval granted pursuant to  
4177 this subsection may be revoked, suspended, conditioned, limited or  
4178 restricted by the commission at any time.

4179 (3) Approval of the commission is not required if:

4180 (a) The licensee does not own more than five percent  
4181 (5%) beneficial interest in any class of securities of a  
4182 corporation incorporated under the laws of any state of the United  
4183 States which is a publicly traded corporation as defined in  
4184 Section 75-76-199; and

4185 (b) The licensee is not able to significantly control  
4186 or influence the corporation.

4187 (4) If it finds that approval is necessary to effectuate the  
4188 purposes of this chapter, the commission may, by giving notice of  
4189 its decision to the licensee, require that a licensee who is  
4190 otherwise exempt under subsection (3) obtain approval as required  
4191 by subsection (1).

4192 (5) The commission may waive, either selectively or by  
4193 general regulation, one or more of the requirements of Sections  
4194 75-76-269 through 75-76-277, inclusive, if it makes a written  
4195 finding that the waiver is consistent with the public policy of  
4196 this state concerning gaming.

4197 **SECTION 139.** Section 75-76-273, Mississippi Code of 1972, is  
4198 brought forward as follows:

4199 75-76-273. (1) A licensee seeking approval to participate  
4200 in foreign gaming shall apply to the executive director in  
4201 writing, under oath, supplying any information and supporting data  
4202 pertaining to himself and to the foreign gaming operations which  
4203 the executive director and the commission require.

4204           (2) A licensee who applies for approval agrees by his  
4205 application to conduct his foreign gaming operations in accordance  
4206 with the standards of honesty and integrity required for gaming  
4207 activities in this state.

4208           (3) The licensee shall submit data showing that the foreign  
4209 gaming operations will be lawfully conducted in the foreign  
4210 jurisdiction, and that the licensee's involvement will pose no  
4211 unreasonable threat to gaming control in Mississippi.

4212           (4) The executive director may conduct investigations  
4213 concerning the application and submit recommendations to the  
4214 commission. The executive director may require the applicant to  
4215 pay anticipated costs of an investigation in advance, and shall  
4216 refund overpayments and charge and collect amounts to cover  
4217 underpayments of actual costs after the completion of the  
4218 investigation.

4219           **SECTION 140.** Section 75-76-275, Mississippi Code of 1972, is  
4220 brought forward as follows:

4221           75-76-275. (1) The executive director and the commission  
4222 shall consider without limitation the following factors in  
4223 deliberating the granting or denial of approval to conduct foreign  
4224 gaming operations:

4225           (a) The means, including agreements with foreign  
4226 jurisdictions, for the commission and the executive director to  
4227 obtain adequate access to information pertaining to the gaming  
4228 operations in which the licensee seeks to be involved, and  
4229 pertaining to any associate of the licensee in the foreign gaming  
4230 operations.

4231           (b) Assurance that the licensee and his associates in  
4232 the foreign gaming operations will recognize and abide by the  
4233 conditions and restrictions imposed upon approval of  
4234 participation.

4235           (c) Assurance that the right of Mississippi to collect  
4236 license fees will be adequately protected through an effective

4237 accounting system designed to prevent the undetected employment of  
4238 techniques to avoid payment.

4239 (d) Assurance that the relationship of the licensee  
4240 with any associate will pose no unreasonable threat to the  
4241 interest of the State of Mississippi in regulating the gaming  
4242 industry within the state.

4243 (e) Other factors which are found to be relevant to the  
4244 adequate protection of state-regulated gaming in Mississippi.

4245 (2) The commission may impose conditions upon any approval  
4246 of participation in foreign gaming operations, including without  
4247 limitation:

4248 (a) The continuation of any factor listed in subsection  
4249 (1) or any other factor considered relevant by the commission.

4250 (b) Requirements for internal accounting,  
4251 administrative and managerial controls, including evidence of  
4252 those controls to be filed with the commission or maintained in  
4253 the principal office of the licensee in Mississippi and made  
4254 available to the commission and the executive director and  
4255 commission or their agents for examination and copying as  
4256 requested.

4257 (c) Requirements for reports found necessary by the  
4258 executive director or the commission.

4259 (d) Requirements for onsite audits to be conducted at  
4260 the licensee's expense by independent certified public  
4261 accountants, or their equivalent, who are acceptable to the  
4262 executive director or the commission.

4263 (e) Requirements for disclosure and reporting of  
4264 changes in beneficial ownership or control of any interest in a  
4265 foreign gaming operation, including interest of the licensee and  
4266 of others.

4267 (f) Requirements for onsite inspections at the expense  
4268 of the licensee of foreign gaming operations by the executive  
4269 director or the commission or their representatives.

4270           **SECTION 141.** Section 75-76-277, Mississippi Code of 1972, is  
4271 brought forward as follows:

4272           75-76-277. A licensee who continues participation in foreign  
4273 gaming operations after an order of the commission terminating  
4274 approval engages in an unsuitable method of operation and may be  
4275 disciplined by the commission.

4276           **SECTION 142.** Section 75-76-279, Mississippi Code of 1972, is  
4277 brought forward as follows:

4278           75-76-279. (1) From and after June 29, 1990, any cruise  
4279 vessel or vessel which is licensed under the provisions of this  
4280 chapter and which is used for gambling games, as determined by the  
4281 Tax Commission, shall be exempt from all ad valorem taxes through  
4282 June 30, 1991.

4283           (2) On or before December 1, 1990, the State Tax Commission  
4284 shall report to the Legislature its recommendation for an  
4285 equitable method of imposing a tax upon the cruise vessels and  
4286 vessels described in subsection (1).

4287           **SECTION 143.** Section 75-76-281, Mississippi Code of 1972, is  
4288 brought forward as follows:

4289           75-76-281. No elected or appointed official shall derive any  
4290 pecuniary benefit, directly or indirectly, other than compensation  
4291 and any other benefits authorized by law, as a result of such  
4292 elected or appointed official's duties under this chapter. Any  
4293 person convicted of a violation of this section shall be punished  
4294 pursuant to the provisions of Article 3, Chapter 4, Title 25,  
4295 Mississippi Code of 1972.

4296           **SECTION 144.** Section 75-76-301, Mississippi Code of 1972, is  
4297 brought forward as follows:

4298           75-76-301. It is unlawful for any person:

4299           (a) To alter or misrepresent the outcome of a game or  
4300 other event on which wagers have been made after the outcome is  
4301 made sure but before it is revealed to the players.

4302           (b) To place, increase or decrease a bet or to  
4303 determine the course of play after acquiring knowledge, not  
4304 available to all players, of the outcome of the game or any event  
4305 that affects the outcome of the game or that is the subject of the  
4306 bet or to aid anyone in acquiring such knowledge for the purpose  
4307 of placing, increasing or decreasing a bet or determining the  
4308 course of play contingent upon that event or outcome.

4309           (c) To claim, collect or take, or attempt to claim,  
4310 collect or take, money or anything of value in or from a gambling  
4311 game, with intent to defraud, without having made a wager  
4312 contingent thereon, or to claim, collect or take an amount greater  
4313 than the amount won.

4314           (d) Knowingly to entice or induce another to go to any  
4315 place where a gambling game is being conducted or operated in  
4316 violation of the provisions of this chapter, with the intent that  
4317 the other person play or participate in the gambling game.

4318           (e) To place or increase a bet after acquiring  
4319 knowledge of the outcome of the game or other event that is the  
4320 subject of the bet, including past-posting and pressing bets.

4321           (f) To reduce the amount wagered or cancel the bet  
4322 after acquiring knowledge of the outcome of the game or other  
4323 event that is the subject of the bet, including pinching bets.

4324           (g) To manipulate, with the intent to cheat, any  
4325 component of a gaming device in a manner contrary to the designed  
4326 and normal operational purpose for the component, including, but  
4327 not limited to, varying the pull of the handle of a slot machine,  
4328 with knowledge that the manipulation affects the outcome of the  
4329 game or with knowledge of any event that affects the outcome of  
4330 the game.

4331           **SECTION 145.** Section 75-76-303, Mississippi Code of 1972, is  
4332 brought forward as follows:

4333           75-76-303. It is unlawful for any person at a licensed  
4334 gaming establishment to use, or possess with the intent to use,  
4335 any device to assist:

4336           (a) In projecting the outcome of the game;

4337           (b) In keeping track of the cards played;

4338           (c) In analyzing the probability of the occurrence of  
4339 an event relating to the game; or

4340           (d) In analyzing the strategy for playing or betting to  
4341 be used in the game, except as permitted by the commission.

4342           **SECTION 146.** Section 75-76-305, Mississippi Code of 1972, is  
4343 brought forward as follows:

4344           75-76-305. (1) It is unlawful for any licensee, employee or  
4345 other person to use counterfeit chips in a gambling game.

4346           (2) It is unlawful for any person, in playing or using any  
4347 gambling game designed to be played with, receive or be operated  
4348 by chips or tokens approved by the commission or by lawful coins  
4349 of the United States of America:

4350           (a) Knowingly to use other than chips or tokens  
4351 approved by the commission or lawful coins, legal tender of the  
4352 United States of America, or to use coins not of the same  
4353 denomination as the coins intended to be used in that gambling  
4354 game; or

4355           (b) To use any device or means to violate the  
4356 provisions of this chapter.

4357           (3) It is unlawful for any person, not a duly authorized  
4358 employee of a licensee acting in furtherance of his employment  
4359 within an establishment, to have on his person or in his  
4360 possession on or off the premises of any licensed gaming  
4361 establishment any device intended to be used to violate the  
4362 provisions of this chapter.

4363           (4) It is unlawful for any person, not a duly authorized  
4364 employee of a licensee acting in furtherance of his employment  
4365 within an establishment, to have on his person or in his

4366 possession on or off the premises of any licensed gaming  
4367 establishment any key or device known to have been designed for  
4368 the purpose of and suitable for opening, entering or affecting the  
4369 operation of any gambling game, drop box or any electronic or  
4370 mechanical device connected thereto, or for removing money or  
4371 other contents therefrom.

4372 (5) It is unlawful for any person to have on his person or  
4373 in his possession any paraphernalia for manufacturing slugs. As  
4374 used in this subsection, "paraphernalia for manufacturing slugs"  
4375 means the equipment, products and materials that are intended for  
4376 use or designed for use in manufacturing, producing, fabricating,  
4377 preparing, testing, analyzing, packaging, storing or concealing a  
4378 counterfeit facsimile of the chips or tokens approved by the  
4379 commission or lawful coins of the United States, the use of which  
4380 is unlawful pursuant to subsection (2) of this section. The term  
4381 includes, but is not limited to:

- 4382 (a) Metal or metal alloys;
- 4383 (b) Molds, forms or similar equipment capable of  
4384 producing a likeness of a gaming token or United States coin;
- 4385 (c) Melting pots or other receptacles;
- 4386 (d) Torches; and
- 4387 (e) Tongs, trimming tools or other similar equipment.

4388 (6) Possession of more than one (1) of the devices,  
4389 equipment, products or materials described in this section permits  
4390 a rebuttable inference that the possessor intended to use them for  
4391 cheating.

4392 **SECTION 147.** Section 75-76-307, Mississippi Code of 1972, is  
4393 brought forward as follows:

4394 75-76-307. It is unlawful for any person, whether he is an  
4395 owner or employee of or a player in an establishment, to cheat at  
4396 any gambling game.

4397 **SECTION 148.** Section 75-76-309, Mississippi Code of 1972, is  
4398 brought forward as follows:

4399           75-76-309. (1) It is unlawful to manufacture, sell or  
4400 distribute any cards, chips, dice, game or device that is intended  
4401 to be used to violate any provision of this chapter.

4402           (2) It is unlawful to mark, alter or otherwise modify any  
4403 associated equipment or gaming device in a manner that:

4404                 (a) Affects the result of a wager by determining win or  
4405 loss; or

4406                 (b) Alters the normal criteria of random selection,  
4407 which affects the operation of a game or which determines the  
4408 outcome of a game.

4409           (3) It is unlawful for any person to instruct another in  
4410 cheating or in the use of any device for that purpose, with the  
4411 knowledge or intent that the information or use so conveyed may be  
4412 employed to violate any provision of this chapter.

4413           **SECTION 149.** Section 75-76-311, Mississippi Code of 1972, is  
4414 brought forward as follows:

4415           75-76-311. (1) In addition to any other penalty provided in  
4416 this chapter, any person who violates any provision of Sections  
4417 75-76-301 through 75-76-313, shall be punished:

4418                 (a) For the first offense, by imprisonment in the State  
4419 Penitentiary for not more than two (2) years, or by a fine of not  
4420 more than Ten Thousand Dollars (\$10,000.00), or by both such fine  
4421 and imprisonment.

4422                 (b) For a second or subsequent violation of any of  
4423 these provisions, by imprisonment in the State Penitentiary for  
4424 not more than ten (10) years, and may be further punished by a  
4425 fine of not more than Ten Thousand Dollars (\$10,000.00).

4426           (2) In addition to any other penalty provided in this  
4427 chapter, any person who attempts, or two (2) or more persons who  
4428 conspire, to violate any provision of Sections 75-76-301 through  
4429 75-76-313 each shall be punished by imposing the penalty provided  
4430 in subsection (1) of this section for the completed crime, whether



4431 or not he personally played any gambling game or used any  
4432 prohibited device.

4433           **SECTION 150.** Section 75-76-313, Mississippi Code of 1972, is  
4434 brought forward as follows:

4435           75-76-313. If any person shall commit or attempt to commit a  
4436 violation of any provision of Sections 75-76-301 through  
4437 75-76-313, any officer, employee or agent of a licensee or any law  
4438 enforcement officer, acting in good faith and upon probable cause  
4439 based upon reasonable grounds therefor, may question such person  
4440 in a reasonable manner for the purpose of ascertaining whether or  
4441 not such person should be charged with a violation of Sections  
4442 75-76-301 through 75-76-313. The questioning of a person by an  
4443 officer, employee or agent of a licensee or by a law enforcement  
4444 officer shall not render the licensee, its officer, its employee  
4445 or its agent, or a law enforcement officer, civilly liable for  
4446 slander, false arrest, false imprisonment, malicious prosecution,  
4447 unlawful detention or otherwise in any case where the licensee's  
4448 officer, employee or agent, or the law enforcement officer, is  
4449 acting in good faith and upon reasonable grounds to believe that  
4450 the person questioned is committing or attempting to commit a  
4451 violation of Sections 75-76-301 through 75-76-313.

4452           **SECTION 151.** This act shall take effect and be in force from  
4453 and after July 1, 2004.