

By: Senator(s) Walls

To: Finance

## SENATE BILL NO. 2005

1 AN ACT TO PROVIDE FOR THE REGULATION AND LICENSING OF  
2 ELECTRONIC DEVICES BY THE MISSISSIPPI GAMING COMMISSION; TO  
3 AUTHORIZE THE MISSISSIPPI GAMING COMMISSION TO PROMULGATE RULES  
4 AND REGULATIONS TO CARRY OUT THE PROVISIONS OF THIS ACT; TO  
5 LEGALIZE THE MANUFACTURE, SALE, DISTRIBUTION, OWNERSHIP AND  
6 OPERATION OF ELECTRONIC DEVICES; TO DESIGNATE THE TYPES OF  
7 ESTABLISHMENTS WHERE SUCH DEVICES MAY BE LOCATED; TO PROVIDE  
8 PENALTIES FOR THE VIOLATION OF THIS ACT; TO LEVY A MONTHLY LICENSE  
9 FEE ON THE NET REVENUE COLLECTED DURING EACH CALENDAR MONTH BY A  
10 LICENSEE UNDER THIS ACT; TO PROVIDE THAT 30% OF THE MONIES  
11 COLLECTED FROM SUCH MONTHLY LICENSE FEES SHALL BE PLACED IN A  
12 SPECIAL FUND TO BE USED BY THE GOVERNOR'S OFFICE, DIVISION OF  
13 MEDICAID, WITH THE REMAINING AMOUNT DEPOSITED IN THE STATE GENERAL  
14 FUND; TO LEVY ANNUAL LICENSE FEES FOR THE ISSUANCE OR CONTINUATION  
15 OF A MANUFACTURER'S, DISTRIBUTOR'S, MACHINE OWNER'S AND PERMIT  
16 STICKER LICENSE; TO PROVIDE THAT 90% OF THE MONIES COLLECTED FROM  
17 THE MANUFACTURER'S ANNUAL LICENSE SHALL BE DISTRIBUTED TO THE  
18 COUNTY IN WHICH THE LICENSEE IS LOCATED TO BE USED FOR LAW  
19 ENFORCEMENT PURPOSES AND JUVENILE SERVICES, WITH THE REMAINDER  
20 DISTRIBUTED TO THE MISSISSIPPI GAMING COMMISSION TO ENFORCE  
21 CERTAIN PROVISIONS OF THIS ACT; TO PROVIDE THAT 40% OF THE MONIES  
22 COLLECTED FROM ALL OTHER ANNUAL LICENSE FEES SHALL BE DEPOSITED  
23 INTO THE SPECIAL FUND TO BE USED BY THE GOVERNOR'S OFFICE,  
24 DIVISION OF MEDICAID, WITH THE REMAINING AMOUNT TO BE DEPOSITED IN  
25 THE STATE GENERAL FUND; TO AMEND SECTIONS 27-27-3, 75-76-5,  
26 97-33-1, 97-33-7, 95-3-25, 67-1-71, 87-1-5 AND 21-19-19  
27 MISSISSIPPI CODE OF 1972, TO CONFORM TO THE PROVISIONS OF THIS  
28 ACT; AND FOR RELATED PURPOSES.

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

30 **SECTION 1.** As used in Sections 1 through 6 of this act, the  
31 following definitions shall have the meanings ascribed herein  
32 unless the context clearly requires otherwise:

33 (a) "Commission" means the Mississippi Gaming  
34 Commission.

35 (b) "Distributor" means a partnership or corporation  
36 licensed under this act to buy, sell, lease, repair or distribute  
37 electronic devices. The term excludes machine owners and  
38 manufacturers.

39 (c) "Gross proceeds" means the total amount of money  
40 placed into electronic devices.

41           (d) "Incentive" means a consideration, including a  
42 premium or bonus in cash or advance commission on merchandise,  
43 offered from a machine owner to a licensee in order to solicit its  
44 business.

45           (e) "Licensee" means a partnership or corporation that  
46 has been issued a license by the Mississippi Gaming Commission for  
47 the placement and operation of devices on the premises of the  
48 individual, partnership or corporation.

49           (f) "Licensed premises" means any restaurant, bar,  
50 lounge, tavern, motel, hotel, club, fraternal order (such as the  
51 Elks, American Legion, American Veterans and American Veterans of  
52 Foreign Wars), or mom and pop operation.

53           (g) "Machine owner" means a partnership or corporation  
54 which is licensed under this act and which owns, operates, leases,  
55 services and maintains electronic devices for placement in  
56 licensed premises.

57           (h) "Manufacturer" means a partnership or corporation  
58 which is licensed under this act and which manufactures or  
59 assembles and programs electronic devices.

60           (i) "Mom and pop operation" means any corporation  
61 having financial statements having an annual gross revenue that is  
62 less than Forty Thousand Dollars (\$40,000.00).

63           (j) "Net proceeds" means gross proceeds after awards  
64 have been paid.

65           (k) "Person" means a corporation, partnership and  
66 association, as well as a natural person.

67           (l) "Electronic device" means any video poker machine  
68 or eight-liner machine authorized under the provisions of this act  
69 that, upon insertion of cash in the amount of Five Cents (5¢) per  
70 play, is available to play or simulate the play of a card game  
71 utilizing a video display and microprocessors in which, by the  
72 skill of the player or by chance, or both, the player may receive  
73 free games or credits that can be redeemed for cash. The term

74 does not include a machine that directly dispenses coins, cash,  
75 tokens or anything of value or any slot amusement machine as  
76 defined in Section 27-27-3. All machines must contain electronic  
77 information verifying transmitting components as may be required  
78 by the Mississippi Gaming Commission.

79 **SECTION 2.** (1) The commission shall administer the  
80 provisions of this act.

81 (2) The commission shall:

82 (a) Provide for licensing requirements under Sections 1  
83 through 6 of this act;

84 (b) Prescribe all necessary application and reporting  
85 forms;

86 (c) Grant or deny license applications;

87 (d) Prescribe types of electronic devices to be used;

88 and

89 (e) Take all actions necessary to administer and enforce  
90 Sections 1 through 6 of this act in the same manner and according  
91 to the same procedure, as nearly as is practicable, as provided  
92 under Sections 75-76-1 through 75-76-313.

93 (3) Licenses which may be issued to licensees for the  
94 placement of electronic devices at or on licensed premises shall  
95 be limited to a minimum of five (5) electronic devices and a  
96 maximum of twenty (20) electronic devices per licensed premises  
97 with no more than one hundred (100) per county.

98 **SECTION 3.** (1) The commission shall levy and collect annual  
99 license fees for the following licenses in the amounts listed  
100 below:

101 (a) For the issuance or continuation of a  
102 manufacturer's license, One Hundred Thousand Dollars  
103 (\$100,000.00).

104 (b) For the issuance or continuation of a distributor's  
105 license, Fifty Thousand Dollars (\$50,000.00).

106           (c) For the issuance or continuation of a machine  
107 owner's license, One Hundred Fifty Dollars (\$150.00) per  
108 electronic device or machine for the first fifty (50) individual  
109 electronic devices or machines. For each additional electronic  
110 device or machines, the annual license fee shall be Fifty Dollars  
111 (\$50.00) per electronic device or machine. A machine owner's  
112 license allows a machine owner to sell used electronic devices  
113 that the owner purchased new and operated for at least two (2)  
114 years.

115           (d) A permit sticker license, One Hundred Fifty Dollars  
116 (\$150.00) for each.

117           (2) The commission shall refund all license fees if an  
118 application is rejected; however, the commission may establish a  
119 nonrefundable application fee not to exceed Two Hundred Fifty  
120 Dollars (\$250.00) per application.

121           (3) Every electronic device in use in this state must have a  
122 current license displayed on the device or machine. Every  
123 electronic device licensed under this act must be manufactured by  
124 an individual, partnership or corporation licensed under  
125 subsection (1)(a).

126           (4) Failure to pay the annual fees provided for in this  
127 section when they are due for continuation of a license shall be  
128 deemed a surrender of the license.

129           (5) Failure to pay the monthly license fees, based upon the  
130 net revenue of the licensee as provided for in this section, when  
131 they are due shall be deemed a surrender of the license.

132           **SECTION 4.** (1) There is imposed and levied on each gaming  
133 licensee for electronic devices a license fee based upon all the  
134 net revenue of the licensee as follows:

135           (a) Four percent (4%) of the net revenue of the  
136 licensee which does not exceed Fifty Thousand Dollars (\$50,000.00)  
137 per calendar month;

138           (b) Six percent (6%) of all the net revenue of the  
139 licensee which exceed Fifty Thousand Dollars (\$50,000.00) per  
140 calendar month and does not exceed One Hundred Thirty-four  
141 Thousand Dollars (\$134,000.00) per calendar month; and

142           (c) Eight percent (8%) of all the net revenue of the  
143 licensee which exceeds One Hundred Thirty-four Thousand Dollars  
144 (\$134,000.00) per calendar month.

145           (2) Thirty percent (30%) of the revenue collected under  
146 subsection (1) of this section shall be deposited in a special  
147 fund which is created in the State Treasury. Unexpended amounts  
148 remaining in the special fund at the end of a fiscal year shall  
149 not lapse into the State General Fund, and any interest earned on  
150 amounts in the special fund shall be deposited to the credit of  
151 the special fund. Monies in the fund shall be used by the  
152 Governor's Office, Division of Medicaid, to be expended by the  
153 division for the purposes authorized under state law governing the  
154 Medicaid program. The remainder of the revenue collected from the  
155 license fees levied under subsection (1) shall be deposited in the  
156 State General Fund.

157           (3) All revenue received from any game or gaming device  
158 which is leased for operation on the premises of the  
159 licensee-owner to a person other than the owner thereof or which  
160 is located in an area or space on such premise which is leased by  
161 the licensee-owner to any such person, must be attributed to the  
162 owner for the purposes of this section and be counted as part of  
163 the net revenue of the owner. The lessee is liable to the owner  
164 for his proportionate share of such license fees as prescribed in  
165 subsection (1) of this section.

166           (4) If the amount of the license fee required to be reported  
167 and paid under this subsection (1) is later determined to be  
168 greater or less than the amount actually reported and paid by the  
169 licensee, the Chairman of the State Tax Commission shall:

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

172 (b) Refund any overpayment, with interest thereon, to  
173 the licensee. Interest must be computed, until paid, at the rate  
174 of one percent (1%) per month from the first day of the first  
175 month following either the due date of the additional license fees  
176 or the date of overpayment.

177 **SECTION 5.** (1) Forty percent (40%) of the revenue levied  
178 and collected from license fees under Section 3(1)(b), (c) and (d)  
179 shall be deposited in a special fund created in Section 4(2) and  
180 used as set forth in the subsection. The remainder of the revenue  
181 collected from such license fees shall be deposited in the State  
182 General Fund.

183 (2) Ninety percent (90%) of the revenue levied and collected  
184 from the manufacturer's license fee under Section 3(1)(a) shall be  
185 distributed to the county in which the licensee is located for any  
186 law enforcement purposes and juvenile services. The remainder of  
187 the revenue collected from such license fees shall be distributed  
188 to the Mississippi Gaming Commission for purposes of enforcing  
189 gaming laws and defraying costs incurred by the commission in  
190 enforcing Sections 1 through 6 of this act.

191 **SECTION 6.** The commission is authorized to establish a  
192 procedure for auditing the electronic devices. The procedure will  
193 include reports prepared by the machine owners and electronic  
194 auditing at a central location designated by the commission. The  
195 timing and contents of the reports shall be established by the  
196 commission. The commission shall have the authority to contract  
197 with an independent auditing firm to establish and operate all or  
198 some of the auditing requirements as established by the  
199 commission.

200 **SECTION 7.** Section 27-27-3, Mississippi Code of 1972, is  
201 amended as follows:

202           27-27-3. The words, terms, and phrases, when used in this  
203 article, shall have the meaning ascribed to them herein.

204           (a) "Slot amusement machine" or "machine" means any  
205 mechanical device or contrivance which is operated, played,  
206 worked, manipulated, or used by inserting or depositing any coin,  
207 slug, token, or thing of value, in which may be seen any picture  
208 or heard any music, or wherein any game may be played, or any form  
209 of diversion had. "Slot amusement machine" or "machine" does not  
210 mean any electronic device described in Sections 1 through 6 of  
211 Senate Bill No. 2005, 2004 Regular Session.

212           (b) "Officer collecting the tax" means the tax  
213 collector of the county, or, in the case of a municipality, the  
214 person who collects the taxes for the municipality by whatever  
215 title he may be known.

216           (c) "Person" means and includes any individual, firm,  
217 partnership, joint venture, association, corporation, estate,  
218 trust, or other group or combination acting as a unit and includes  
219 the plural as well as the singular in number.

220           **SECTION 8.** Section 75-76-5, Mississippi Code of 1972, is  
221 amended as follows:

222           75-76-5. As used in Sections 75-76-1 through 75-76-313,  
223 unless the context requires otherwise:

224           (a) "Applicant" means any person who has applied for or  
225 is about to apply for a state gaming license, registration or  
226 finding of suitability under the provisions of this chapter or  
227 approval of any act or transaction for which approval is required  
228 or permitted under the provisions of this chapter.

229           (b) "Application" means a request for the issuance of a  
230 state gaming license, registration or finding of suitability under  
231 the provisions of this chapter or for approval of any act or  
232 transaction for which approval is required or permitted under the  
233 provisions of this chapter but does not include any supplemental  
234 forms or information that may be required with the application.

235           (c) "Associated equipment" means any equipment or  
236 mechanical, electromechanical or electronic contrivance, component  
237 or machine used remotely or directly in connection with gaming or  
238 with any game, race book or sports pool that would not otherwise  
239 be classified as a gaming device, including dice, playing cards,  
240 links which connect to progressive slot machines, equipment which  
241 affects the proper reporting of gross revenue, computerized  
242 systems of betting at a race book or sports pool, computerized  
243 systems for monitoring slot machines, and devices for weighing or  
244 counting money.

245           (d) "Chairman," through September 30, 1993, means the  
246 Chairman of the State Tax Commission, and thereafter means the  
247 Chairman of the Mississippi Gaming Commission.

248           (e) "Commission" or "Mississippi Gaming Commission,"  
249 through September 30, 1993, means the State Tax Commission, and  
250 thereafter means the Mississippi Gaming Commission.

251           (f) "Commission member," through September 30, 1993,  
252 means a member of the State Tax Commission, and thereafter means a  
253 member of the Mississippi Gaming Commission.

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

258           (h) "Enforcement division" means a particular division  
259 supervised by the executive director that provides enforcement  
260 functions.

261           (i) "Establishment" means any premises wherein or  
262 whereon any gaming is done.

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



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

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

282           (1) "Gaming" or "gambling" means to deal, operate,  
283 carry on, conduct, maintain or expose for play any game as defined  
284 in this chapter.

285           (m) "Gaming device" means any mechanical,  
286 electromechanical or electronic contrivance, component or machine  
287 used in connection with gaming or any game which affects the  
288 result of a wager by determining win or loss. The term includes a  
289 system for processing information which can alter the normal  
290 criteria of random selection, which affects the operation of any  
291 game, or which determines the outcome of a game. The term does  
292 not include a system or device which affects a game solely by  
293 stopping its operation so that the outcome remains undetermined,  
294 and does not include any antique coin machine as defined in  
295 Section 27-27-12.

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

299                   (i) Boxmen;

- 300 (ii) Cashiers;
- 301 (iii) Change personnel;
- 302 (iv) Counting room personnel;
- 303 (v) Dealers;
- 304 (vi) Floormen;
- 305 (vii) Hosts or other persons empowered to extend  
306 credit or complimentary services;
- 307 (viii) Keno runners;
- 308 (ix) Keno writers;
- 309 (x) Machine mechanics;
- 310 (xi) Security personnel;
- 311 (xii) Shift or pit bosses;
- 312 (xiii) Shills;
- 313 (xiv) Supervisors or managers; and
- 314 (xv) Ticket writers.

315 The term "gaming employee" also includes employees of  
316 manufacturers or distributors of gaming equipment within this  
317 state whose duties are directly involved with the manufacture,  
318 repair or distribution of gaming equipment.

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

322 (o) "Gaming license" means any license issued by the  
323 state which authorizes the person named therein to engage in  
324 gaming.

325 (p) "Gross revenue" means the total of all of the  
326 following, less the total of all cash paid out as losses to  
327 patrons and those amounts paid to purchase annuities to fund  
328 losses paid to patrons over several years by independent financial  
329 institutions:

- 330 (i) Cash received as winnings;
- 331 (ii) Cash received in payment for credit extended  
332 by a licensee to a patron for purposes of gaming; and

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

335           For the purposes of this definition, cash or the value of  
336 noncash prizes awarded to patrons in a contest or tournament are  
337 not losses.

338           The term does not include:

339                   (i) Counterfeit money or tokens;

340                   (ii) Coins of other countries which are received  
341 in gaming devices;

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

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

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

349                   (r) "Investigation division" means a particular  
350 division supervised by the executive director that provides  
351 investigative functions.

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

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

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

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

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

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

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

367 (z) "Party" means the Mississippi Gaming Commission and  
368 any licensee or other person appearing of record in any proceeding  
369 before the commission; or the Mississippi Gaming Commission and  
370 any licensee or other person appearing of record in any proceeding  
371 for judicial review of any action, decision or order of the  
372 commission.

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

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

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

382 (dd) "Regulation" means a rule, standard, directive or  
383 statement of general applicability which effectuates law or policy  
384 or which describes the procedure or requirements for practicing  
385 before the commission. The term includes a proposed regulation  
386 and the amendment or repeal of a prior regulation but does not  
387 include:

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

391 (ii) A declaratory ruling;

392 (iii) An interagency memorandum;

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

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

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

399           (ff) "Slot machine" means any mechanical, electrical or  
400 other device, contrivance or machine which, upon insertion of a  
401 coin, token or similar object, or upon payment of any  
402 consideration, is available to play or operate, the play or  
403 operation of which, whether by reason of the skill of the operator  
404 or application of the element of chance, or both, may deliver or  
405 entitle the person playing or operating the machine to receive  
406 cash, premiums, merchandise, tokens or anything of value, whether  
407 the payoff is made automatically from the machine or in any other  
408 manner. The term does not include any antique coin machine as  
409 defined in Section 27-27-12.

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

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

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

419           (jj) "Work permit" means any card, certificate or  
420 permit issued by the commission, whether denominated as a work  
421 permit, registration card or otherwise, authorizing the employment  
422 of the holder as a gaming employee. A document issued by any  
423 governmental authority for any employment other than gaming is not  
424 a valid work permit for the purposes of this chapter.

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

428           (ll) "Cheat" means to alter the selection of criteria  
429 that determine:

430                   (i) The rules of a game; or

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

432           **SECTION 9.** Section 97-33-1, Mississippi Code of 1972, is  
433 amended as follows:

434           97-33-1. If any person shall encourage, promote or play at  
435 any game, play or amusement, other than a fight or fighting match  
436 between dogs, for money or other valuable thing, or shall wager or  
437 bet, promote or encourage the wagering or betting of any money or  
438 other valuable things, upon any game, play, amusement, cockfight,  
439 Indian ball play, or duel, other than a fight or fighting match  
440 between dogs, or upon the result of any election, event or  
441 contingency whatever, upon conviction thereof, he shall be fined  
442 in a sum not more than Five Hundred Dollars (\$500.00); and, unless  
443 such fine and costs be immediately paid, shall be imprisoned for  
444 any period not more than ninety (90) days. However, this section  
445 shall not apply to betting, gaming or wagering:

446           (a) On a cruise vessel as defined in Section 27-109-1  
447 whenever such vessel is in the waters within the State of  
448 Mississippi, which lie adjacent to the State of Mississippi south  
449 of the three (3) most southern counties in the State of  
450 Mississippi, and in which the registered voters of the county in  
451 which the port is located have not voted to prohibit such betting,  
452 gaming or wagering on cruise vessels as provided in Section  
453 19-3-79;

454           (b) On a vessel as defined in Section 27-109-1 whenever  
455 such vessel is on the Mississippi River or navigable waters within  
456 any county bordering on the Mississippi River, and in which the  
457 registered voters of the county in which the port is located have  
458 not voted to prohibit such betting, gaming or wagering on vessels  
459 as provided in Section 19-3-79; or

460           (c) That is legal under the laws of the State of  
461 Mississippi.

462           This section shall not apply to electronic devices licensed  
463 under the provisions of Section 1 through 6 of Senate Bill No.  
464 2005, 2004 Regular Session.

465           **SECTION 10.** Section 97-33-7, Mississippi Code of 1972, is  
466 amended as follows:

467           97-33-7. (1) It shall be unlawful for any person or  
468 persons, firm, copartnership, or corporation to have in  
469 possession, own, control, display, or operate any cane rack, knife  
470 rack, artful dodger, punch board, roll down, merchandise wheel,  
471 slot machine, pinball machine, or similar device or devices.  
472 Provided, however, that this section shall not be so construed as  
473 to make unlawful the ownership, possession, control, display or  
474 operation of any antique coin machine as defined in Section  
475 27-27-12, or any music machine or bona fide automatic vending  
476 machine where the purchaser receives exactly the same quantity of  
477 merchandise on each operation of said machine. Any slot machine  
478 other than an antique coin machine as defined in Section 27-27-12  
479 which delivers, or is so constructed as that by operation thereof  
480 it will deliver to the operator thereof anything of value in  
481 varying quantities, in addition to the merchandise received, and  
482 any slot machine other than an antique coin machine as defined in  
483 Section 27-27-12 that is constructed in such manner as that slugs,  
484 tokens, coins or similar devices are, or may be, used and  
485 delivered to the operator thereof in addition to merchandise of  
486 any sort contained in such machine, is hereby declared to be a  
487 gambling device, and shall be deemed unlawful under the provisions  
488 of this section. Provided, however, that pinball machines which  
489 do not return to the operator or player thereof anything but free  
490 additional games or plays shall not be deemed to be gambling  
491 devices, and neither this section nor any other law shall be  
492 construed to prohibit same.

493           (2) No property right shall exist in any person, natural or  
494 artificial, or be vested in such person, in any or all of the  
495 devices described herein that are not exempted from the provisions  
496 of this section; and all such devices are hereby declared to be at  
497 all times subject to confiscation and destruction, and their

498 possession shall be unlawful, except when in the possession of  
499 officers carrying out the provisions of this section. It shall be  
500 the duty of all law-enforcing officers to seize and immediately  
501 destroy all such machines and devices.

502 (3) A first violation of the provisions of this section  
503 shall be deemed a misdemeanor, and the party offending shall, upon  
504 conviction, be fined in any sum not exceeding Five Hundred Dollars  
505 (\$500.00), or imprisoned not exceeding three (3) months, or both,  
506 in the discretion of the court. In the event of a second  
507 conviction for a violation of any of the provisions of this  
508 section, the party offending shall be subject to a sentence of not  
509 less than six (6) months in the county jail, nor more than two (2)  
510 years in the State Penitentiary, in the discretion of the trial  
511 court.

512 (4) Notwithstanding any provision of this section to the  
513 contrary, it shall not be unlawful to operate any equipment or  
514 device described in subsection (1) of this section or any gaming,  
515 gambling or similar device or devices by whatever name called  
516 while:

517 (a) On a cruise vessel as defined in Section 27-109-1  
518 whenever such vessel is in the waters within the State of  
519 Mississippi, which lie adjacent to the State of Mississippi south  
520 of the three (3) most southern counties in the State of  
521 Mississippi, and in which the registered voters of the county in  
522 which the port is located have not voted to prohibit such betting,  
523 gaming or wagering on cruise vessels as provided in Section  
524 19-3-79;

525 (b) On a vessel as defined in Section 27-109-1 whenever  
526 such vessel is on the Mississippi River or navigable waters within  
527 any county bordering on the Mississippi River, and in which the  
528 registered voters of the county in which the port is located have  
529 not voted to prohibit such betting, gaming or wagering on vessels  
530 as provided in Section 19-3-79; or



531 (c) That is legal under the laws of the State of  
532 Mississippi.

533 (5) Notwithstanding any provision of this section to the  
534 contrary, it shall not be unlawful (a) to own, possess, repair or  
535 control any gambling device, machine or equipment on board any  
536 cruise vessel in this state of not less than one hundred fifty  
537 (150) feet in overall length or vessel in this state of not less  
538 than one hundred fifty (150) feet in overall length or on the  
539 business premises appurtenant to any such cruise vessel or vessel  
540 during any period of time in which such cruise vessel or vessel is  
541 being constructed, repaired, maintained or operated in this state;  
542 (b) to install any gambling device, machine or equipment on board  
543 any cruise vessel in this state of not less than one hundred fifty  
544 (150) feet in overall length or vessel in this state of not less  
545 than one hundred fifty (150) feet in overall length; (c) to  
546 possess or control any gambling device, machine or equipment  
547 during the process of procuring or transporting such device,  
548 machine or equipment for installation on any such cruise vessel or  
549 vessel; or (d) to store in a warehouse or other storage facility  
550 any gambling device, machine, equipment, or part thereof,  
551 regardless of whether the county or municipality in which the  
552 warehouse or storage facility is located has approved gaming  
553 aboard cruise vessels or vessels, provided that such device,  
554 machine or equipment is operated only in a county or municipality  
555 that has approved gaming aboard cruise vessels or vessels. Any  
556 gambling device, machine or equipment that is owned, possessed,  
557 controlled, installed, procured, repaired, transported or stored  
558 in accordance with this subsection shall not be subject to  
559 confiscation, seizure or destruction, and any person, firm,  
560 partnership or corporation which owns, possesses, controls,  
561 installs, procures, repairs, transports or stores any gambling  
562 device, machine or equipment in accordance with this subsection  
563 shall not be subject to any prosecution or penalty under this

564 section. Any person constructing or repairing such cruise vessels  
565 or vessels within a municipality shall comply with all municipal  
566 ordinances protecting the general health or safety of the  
567 residents of the municipality.

568 (6) This section shall not apply to electronic devices  
569 licensed under the provisions of Sections 1 through 6 of Senate  
570 Bill No. 2005, 2004 Regular Session.

571 **SECTION 11.** Section 95-3-25, Mississippi Code of 1972, is  
572 amended as follows:

573 95-3-25. Any building, club, vessel, boat, place or room,  
574 wherein is kept or exhibited any game or gaming table, commonly  
575 called A.B.C. or E.O. roulette, or rowley-powley, or rouquetnoir,  
576 roredo, keno, monte, or any faro-bank, dice, or other game, gaming  
577 table, or bank of the same or like kind, or any other kind or  
578 description of gambling device under any other name whatever, and  
579 any such place where information is furnished for the purpose of  
580 making and settling bets or wagers on any horse race, prize fight,  
581 or on the outcome of any like event, or where bets or wagers are  
582 arranged for, made or settled, shall be deemed to be a common  
583 nuisance and may be abated by writ of injunction, issued out of a  
584 court of equity upon a bill filed in the name of the state by the  
585 Attorney General, or any district or county attorney, whose duty  
586 requires him to prosecute criminal cases on behalf of the state in  
587 the county where the nuisance is maintained, or by any citizen or  
588 citizens of such county, such bill to be filed in the county in  
589 which the nuisance exists. And all rules of evidence and of  
590 practice and procedure that pertain to courts of equity generally  
591 in this state may be invoked and applied in any injunction  
592 procedure hereunder. The provisions of this section shall not  
593 apply to any form of gaming or gambling that is legal under the  
594 laws of the State of Mississippi or to a cruise vessel or vessel  
595 as defined in Section 27-109-1 and shall not apply to any cruise  
596 vessel or vessel having on board any gambling device, machine or

597 equipment that is owned, possessed, controlled, installed,  
598 procured, repaired or transported in accordance with subsection  
599 (4) of Section 97-33-7. The provisions of this section shall not  
600 apply to the legal operation of gaming electronic devices  
601 authorized under Sections 1 through 6 of Senate Bill No. 2005,  
602 2004 Regular Session.

603       Upon the abatement of any such nuisance, any person found to  
604 be the owner, operator or exhibitor of any gambling device  
605 described in the first paragraph of this section may be required  
606 by the court to enter into a good and sufficient bond in such  
607 amount as may be deemed proper by the court, to be conditioned  
608 that the obligor therein will not violate any of the laws of  
609 Mississippi pertaining to gaming or gambling for a period of not  
610 to exceed two (2) years from the date thereof. The failure to  
611 make such bond shall be a contempt of court and for such contempt  
612 the person or party shall be confined in the county jail until  
613 such bond is made, but not longer than two (2) years. Said bond  
614 shall be approved by the clerk of the court where the proceedings  
615 were had and shall be filed as a part of the record of such case.

616       **SECTION 12.** Section 67-1-71, Mississippi Code of 1972, is  
617 amended as follows:

618       67-1-71. The commission may revoke or suspend any permit  
619 issued by it for a violation by the permittee of any of the  
620 provisions of this chapter or of the regulations promulgated under  
621 it by the commission.

622       Permits must be revoked or suspended for the following  
623 causes:

624             (a) Conviction of the permittee for the violation of  
625 any of the provisions of this chapter;

626             (b) Willful failure or refusal by any permittee to  
627 comply with any of the provisions of this chapter or of any rule  
628 or regulation adopted pursuant thereto;

629           (c) The making of any materially false statement in any  
630 application for a permit;

631           (d) Conviction of one or more of the clerks, agents or  
632 employees of the permittee, of any violation of this chapter upon  
633 the premises covered by such permit within a period of time as  
634 designated by the rules or regulations of the commission;

635           (e) The possession on the premises of any retail  
636 permittee of any alcoholic beverages upon which the tax has not  
637 been paid;

638           (f) The willful failure of any permittee to keep the  
639 records or make the reports required by this chapter, or to allow  
640 an inspection of such records by any duly authorized person;

641           (g) The suspension or revocation of a permit issued to  
642 the permittee by the federal government, or conviction of  
643 violating any federal law relating to alcoholic beverages;

644           (h) The failure to furnish any bond required by this  
645 chapter within fifteen (15) days after notice from the commission;  
646 and

647           (i) The conducting of any form of illegal gambling on  
648 the premises of any permittee or on any premises connected  
649 therewith or the presence on any such premises of any gambling  
650 device with the knowledge of the permittee.

651           The provisions of paragraph (i) of this section shall not  
652 apply to gambling or the presence of any gambling devices, with  
653 knowledge of the permittee, on board a cruise vessel in the waters  
654 within the State of Mississippi, which lie adjacent to the State  
655 of Mississippi south of the three (3) most southern counties in  
656 the State of Mississippi, or on any vessel as defined in Section  
657 27-109-1 whenever such vessel is on the Mississippi River or  
658 navigable waters within any county bordering on the Mississippi  
659 River. The commission may, in its discretion, issue on-premises  
660 retailer's permits to a common carrier of the nature described in  
661 this paragraph. The provisions of paragraph (i) of this section

662 shall not apply to electronic devices licensed under the  
663 provisions of Sections 1 through 6 of Senate Bill No. 2005, 2004  
664 Regular Session.

665 No permit shall be revoked except after a hearing by the  
666 commission with reasonable notice to the permittee and an  
667 opportunity for him to appear and defend.

668 In addition to the causes specified in this section and other  
669 provisions of this chapter, the commission shall be authorized to  
670 suspend the permit of any permit holder for being out of  
671 compliance with an order for support, as defined in Section  
672 93-11-153. The procedure for suspension of a permit for being out  
673 of compliance with an order for support, and the procedure for the  
674 reissuance or reinstatement of a permit suspended for that  
675 purpose, and the payment of any fees for the reissuance or  
676 reinstatement of a permit suspended for that purpose, shall be  
677 governed by Section 93-11-157 or 93-11-163, as the case may be.  
678 If there is any conflict between any provision of Section  
679 93-11-157 or 93-11-163 and any provision of this chapter, the  
680 provisions of Section 93-11-157 or 93-11-163, as the case may be,  
681 shall control.

682 **SECTION 13.** Section 87-1-5, Mississippi Code of 1972, is  
683 amended as follows:

684 87-1-5. If any person, by playing at any game whatever, or  
685 by betting on the sides or hands of such as do play at any game,  
686 or by betting on any horse race or cockfight, or at any other  
687 sport or pastime, or by any wager whatever, shall lose any money,  
688 property, or other valuable thing, real or personal, and shall pay  
689 or deliver the same or any part thereof, the person so losing and  
690 paying or delivering the same, or his wife or children, may sue  
691 for and recover such money, property, or other valuable thing so  
692 lost and paid or delivered, or any part thereof, from the person  
693 knowingly receiving the same, with costs. However, this section  
694 shall not apply to betting, gaming or wagering:

695 (a) On a cruise vessel as defined in Section 27-109-1  
696 whenever such vessel is in the waters within the State of  
697 Mississippi, which lie adjacent to the State of Mississippi south  
698 of the three (3) most southern counties in the State of  
699 Mississippi;

700 (b) On a vessel as defined in Section 27-109-1 whenever  
701 such vessel is on the Mississippi River or navigable waters within  
702 any county bordering on the Mississippi River; \* \* \*

703 (c) That is legal under the laws of the State of  
704 Mississippi; or

705 (d) In connection with the legal operation of gaming  
706 electronic devices licensed under the provisions of Sections 1  
707 through 6 of Senate Bill No. 2005, 2004 Regular Session.

708 **SECTION 14.** Section 21-19-19, Mississippi Code of 1972, is  
709 amended as follows:

710 21-19-19. Except as otherwise provided in this section, the  
711 governing authorities of municipalities shall have the power to  
712 restrain, prohibit and suppress blind-tigers, bucket-shops,  
713 slaughterhouses, houses of prostitution, disreputable houses,  
714 games and gambling houses and rooms, dance houses and rooms, keno  
715 rooms, and all kinds of indecency and other disorderly practices,  
716 and disturbance of the peace, and to provide for the punishment of  
717 the persons engaged therein.

718 This section shall not apply to the legal operation of  
719 devices licensed under the provisions of Sections 1 through 6 of  
720 Senate Bill No. 2005, 2004 Regular Session.

721 **SECTION 15.** This act shall take effect and be in force from  
722 and after July 1, 2004.