

By: Representatives Ellington, Moak

To: Gaming

HOUSE BILL NO. 707
(As Passed the House)

1 AN ACT TO MAKE IT UNLAWFUL FOR ANY PERSON TO SELL CARDS,
2 TOKENS, CHIPS OR SIMILAR ITEMS, THAT ENTITLE A BUYER TO LONG
3 DISTANCE TELEPHONE SERVICE OR OTHER FORMS OF SERVICE, AND THAT ARE
4 ATTACHED TO, ACCOMPANIED BY OR PART OF A SCRATCH PAD, BAR CODE OR
5 SIMILAR ITEM THAT THE BUYER MAY USE TO WIN, REDEEM OR OTHERWISE
6 OBTAIN ANYTHING OF VALUE GREATER THAN THE AMOUNT PAID FOR THE
7 CARD, TOKEN, CHIP OR OTHER ITEM; TO REQUIRE THE STATE GAMING
8 COMMISSION TO ESTABLISH AND MAINTAIN A TOLL-FREE TELEPHONE NUMBER
9 FOR THE PURPOSE OF RECEIVING REPORTS OF ILLEGAL GAMBLING
10 ACTIVITIES; TO AMEND SECTIONS 97-33-1, 97-33-7, 97-33-9 AND
11 75-76-5, MISSISSIPPI CODE OF 1972, IN CONFORMITY THERETO; AND FOR
12 RELATED PURPOSES.

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

14 **SECTION 1.** The following shall be codified in Chapter 33,
15 Title 97, Mississippi Code of 1972:

16 It shall be unlawful for any person to sell cards, tokens,
17 chips or similar items, that entitle a buyer to long distance
18 telephone service or other forms of service, and that are attached
19 to, accompanied by or part of a scratch pad, bar code or similar
20 item that the buyer may use to win, redeem or otherwise obtain
21 anything of value greater than the amount paid for the card,
22 token, chip or other item, and such a sale shall constitute an
23 illegal gambling activity. Any person convicted of a violation of
24 this section shall be punished as provided for in this chapter.
25 The provisions of this section shall not apply to any prizes or
26 sweepstakes which may be offered by vendors or retailers
27 associated with the purchase of food or beverages.

28 **SECTION 2.** The following shall be codified in Chapter 76,
29 Title 75, Mississippi Code of 1972:

30 The commission shall establish and maintain a toll-free
31 telephone number for the purpose of receiving reports from
32 individuals of illegal gambling activities. The commission shall

33 make available the number for posting in conspicuous places
34 throughout this state.

35 **SECTION 3.** Section 97-33-1, Mississippi Code of 1972, is
36 amended as follows:

37 97-33-1. If any person shall encourage, promote or play at
38 any game, play, amusement or other illegal gambling activity, for
39 money or other valuable thing, or shall wager or bet, promote or
40 encourage the wagering or betting of any money or other valuable
41 things, upon any game, play, amusement, cockfight, Indian ball
42 play, duel, or other illegal gambling activity, or upon the result
43 of any election, event or contingency whatever, upon conviction
44 thereof, he shall be fined in a sum not more than Five Hundred
45 Dollars (\$500.00); and, unless such fine and costs be immediately
46 paid, shall be imprisoned for any period not more than ninety (90)
47 days. However, this section shall not apply to betting, gaming or
48 wagering:

49 (a) On a cruise vessel as defined in Section 27-109-1
50 whenever such vessel is in the waters within the State of
51 Mississippi, which lie adjacent to the State of Mississippi south
52 of the three (3) most southern counties in the State of
53 Mississippi, including the Mississippi Sound, St. Louis Bay,
54 Biloxi Bay and Pascagoula Bay, and in which the registered voters
55 of the county in which the port is located have not voted to
56 prohibit such betting, gaming or wagering on cruise vessels as
57 provided in Section 19-3-79;

58 (b) In a structure located in whole or in part on shore
59 in any of the three (3) most southern counties in the State of
60 Mississippi in which the registered voters of the county have
61 voted to allow such betting, gaming or wagering on cruise vessels
62 as provided in Section 19-3-79, if:

63 (i) The structure is owned, leased or controlled
64 by a person possessing a gaming license, as defined in Section

65 75-76-5, to conduct legal gaming on a cruise vessel under
66 paragraph (a) of this section;

67 (ii) The part of the structure in which licensed
68 gaming activities are conducted is located entirely in an area
69 which is located no more than eight hundred (800) feet from the
70 mean high-water line (as defined in Section 29-15-1) of the waters
71 within the State of Mississippi, which lie adjacent to the State
72 of Mississippi south of the three (3) most southern counties in
73 the State of Mississippi, including the Mississippi Sound, St.
74 Louis Bay, Biloxi Bay and Pascagoula Bay, or, with regard to
75 Harrison County only, no farther north than the southern boundary
76 of the right-of-way for U.S. Highway 90, whichever is greater; and

77 (iii) In the case of a structure that is located
78 in whole or part on shore, the part of the structure in which
79 licensed gaming activities are conducted shall lie adjacent to
80 state waters south of the three (3) most southern counties in the
81 State of Mississippi, including the Mississippi Sound, St. Louis
82 Bay, Biloxi Bay and Pascagoula Bay. When the site upon which the
83 structure is located consists of a parcel of real property,
84 easements and rights-of-way for public streets and highways shall
85 not be construed to interrupt the contiguous nature of the parcel,
86 nor shall the footage contained within the easements and
87 rights-of-way be counted in the calculation of the distances
88 specified in subparagraph (ii).

89 (c) On a vessel as defined in Section 27-109-1 whenever
90 such vessel is on the Mississippi River or navigable waters within
91 any county bordering on the Mississippi River, and in which the
92 registered voters of the county in which the port is located have
93 not voted to prohibit such betting, gaming or wagering on vessels
94 as provided in Section 19-3-79; or

95 (d) That is legal under the laws of the State of
96 Mississippi.

97 **SECTION 4.** Section 97-33-7, Mississippi Code of 1972, is
98 amended as follows:

99 97-33-7. (1) Except as otherwise provided herein, it shall
100 be unlawful for any person or persons, firm, copartnership or
101 corporation to have in possession, own, control, display, or
102 operate any cane rack, knife rack, artful dodger, punch board,
103 roll down, merchandise wheel, slot machine, pinball machine, or
104 similar device or devices, or for any person to possess with
105 intent to sell cards, tokens, chips or other items described in
106 Section 1 of this act. * * * This section shall not be so
107 construed as to make unlawful the ownership, possession, control,
108 display or operation of any antique coin machine as defined in
109 Section 27-27-12, or any music machine or bona fide automatic
110 vending machine where the purchaser receives exactly the same
111 quantity of merchandise on each operation of said machine. Any
112 slot machine other than an antique coin machine as defined in
113 Section 27-27-12 which delivers, or is so constructed as that by
114 operation thereof it will deliver to the operator thereof anything
115 of value in varying quantities, in addition to the merchandise
116 received, and any slot machine other than an antique coin machine
117 as defined in Section 27-27-12 that is constructed in such manner
118 as that slugs, tokens, coins or similar devices are, or may be,
119 used and delivered to the operator thereof in addition to
120 merchandise of any sort contained in such machine, is hereby
121 declared to be a gambling device, and shall be deemed unlawful
122 under the provisions of this section. * * * However, * * *
123 pinball machines which do not return to the operator or player
124 thereof anything but free additional games or plays shall not be
125 deemed to be gambling devices, and neither this section nor any
126 other law shall be construed to prohibit same.

127 (2) No property right shall exist in any person, natural or
128 artificial, or be vested in such person, in any or all of the
129 devices described herein that are not exempted from the provisions

130 of this section; and all such devices are hereby declared to be at
131 all times subject to confiscation and destruction, and their
132 possession shall be unlawful, except when in the possession of
133 officers carrying out the provisions of this section. It shall be
134 the duty of all law-enforcing officers to seize and immediately
135 destroy all such machines and devices.

136 (3) A first violation of the provisions of this section
137 shall be deemed a misdemeanor, and the party offending shall, upon
138 conviction, be fined in any sum not exceeding Five Hundred Dollars
139 (\$500.00), or imprisoned not exceeding three (3) months, or both,
140 in the discretion of the court. In the event of a second
141 conviction for a violation of any of the provisions of this
142 section, the party offending shall be subject to a sentence of not
143 less than six (6) months in the county jail, nor more than two (2)
144 years in the State Penitentiary, in the discretion of the trial
145 court.

146 (4) Notwithstanding any provision of this section to the
147 contrary, it shall not be unlawful to operate any equipment or
148 device described in subsection (1) of this section or any gaming,
149 gambling or similar device or devices by whatever name
150 called * * *:

151 (a) While on a cruise vessel as defined in Section
152 27-109-1 whenever such vessel is in the waters within the State of
153 Mississippi, which lie adjacent to the State of Mississippi south
154 of the three (3) most southern counties in the State of
155 Mississippi, including the Mississippi Sound, St. Louis Bay,
156 Biloxi Bay and Pascagoula Bay, and in which the registered voters
157 of the county in which the port is located have not voted to
158 prohibit such betting, gaming or wagering on cruise vessels as
159 provided in Section 19-3-79;

160 (b) While in a structure located in whole or in part on
161 shore in any of the three (3) most southern counties in the State
162 of Mississippi in which the registered voters of the county have

163 voted to allow such betting, gaming or wagering on cruise vessels
164 as provided in Section 19-3-79, if:

165 (i) The structure is owned, leased or controlled
166 by a person possessing a gaming license, as defined in Section
167 75-76-5, to conduct legal gaming on a cruise vessel under
168 paragraph (a) of this subsection;

169 (ii) The part of the structure in which licensed
170 gaming activities are conducted is located entirely in an area
171 which is located no more than eight hundred (800) feet from the
172 mean high-water line (as defined in Section 29-15-1) of the waters
173 within the State of Mississippi, which lie adjacent to the State
174 of Mississippi south of the three (3) most southern counties in
175 the State of Mississippi, including the Mississippi Sound, St.
176 Louis Bay, Biloxi Bay and Pascagoula Bay, or, with regard to
177 Harrison County only, no farther north than the southern boundary
178 of the right-of-way for U.S. Highway 90, whichever is greater; and

179 (iii) In the case of a structure that is located
180 in whole or part on shore, the part of the structure in which
181 licensed gaming activities are conducted shall lie adjacent to
182 state waters south of the three (3) most southern counties in the
183 State of Mississippi, including the Mississippi Sound, St. Louis
184 Bay, Biloxi Bay and Pascagoula Bay. When the site upon which the
185 structure is located consists of a parcel of real property,
186 easements and rights-of-way for public streets and highways shall
187 not be construed to interrupt the contiguous nature of the parcel,
188 nor shall the footage contained within the easements and
189 rights-of-way be counted in the calculation of the distances
190 specified in subparagraph (ii).

191 (c) While on a vessel as defined in Section 27-109-1
192 whenever such vessel is on the Mississippi River or navigable
193 waters within any county bordering on the Mississippi River, and
194 in which the registered voters of the county in which the port is

195 located have not voted to prohibit such betting, gaming or
196 wagering on vessels as provided in Section 19-3-79; or

197 (d) That is legal under the laws of the State of
198 Mississippi.

199 (5) Notwithstanding any provision of this section to the
200 contrary, it shall not be unlawful (a) to own, possess, repair or
201 control any gambling device, machine or equipment in a licensed
202 gaming establishment or on the business premises appurtenant to
203 any such licensed gaming establishment during any period of time
204 in which such licensed gaming establishment is being constructed,
205 repaired, maintained or operated in this state; (b) to install any
206 gambling device, machine or equipment in any licensed gaming
207 establishment; (c) to possess or control any gambling device,
208 machine or equipment during the process of procuring or
209 transporting such device, machine or equipment for installation on
210 any such licensed gaming establishment; or (d) to store in a
211 warehouse or other storage facility any gambling device, machine,
212 equipment, or part thereof, regardless of whether the county or
213 municipality in which the warehouse or storage facility is located
214 has approved gaming aboard cruise vessels or vessels, provided
215 that such device, machine or equipment is operated only in a
216 county or municipality that has approved gaming aboard cruise
217 vessels or vessels. Any gambling device, machine or equipment
218 that is owned, possessed, controlled, installed, procured,
219 repaired, transported or stored in accordance with this subsection
220 shall not be subject to confiscation, seizure or destruction, and
221 any person, firm, partnership or corporation which owns,
222 possesses, controls, installs, procures, repairs, transports or
223 stores any gambling device, machine or equipment in accordance
224 with this subsection shall not be subject to any prosecution or
225 penalty under this section. Any person constructing or repairing
226 such cruise vessels or vessels within a municipality shall comply

227 with all municipal ordinances protecting the general health or
228 safety of the residents of the municipality.

229 **SECTION 5.** Section 97-33-9, Mississippi Code of 1972, is
230 amended as follows:

231 97-33-9. If any person shall be guilty of selling cards,
232 tokens, chips or other items described in Section 1 of this act,
233 keeping or exhibiting any game or gaming table commonly called
234 A.B.C. or E.O. roulette or rowley-powley, or rouge et noir,
235 roredo, keno, monte, or any faro-bank, or other game, gaming
236 table, or bank of the same or like kind or any other kind or
237 description under any other name whatever, or shall be in any
238 manner either directly or indirectly interested or concerned in
239 any gaming tables, banks, or games, either by furnishing money or
240 articles for the purpose of carrying on the same, being interested
241 in the loss or gain of said table, bank or games, or employed in
242 any manner in conducting, carrying on, or exhibiting said gaming
243 tables, games, or banks, every person so offending and being
244 thereof convicted, shall be fined not less than Twenty-five
245 Dollars (\$25.00) nor more than Two Thousand Dollars (\$2,000.00),
246 or be imprisoned in the county jail not longer than two (2)
247 months, or by both such fine and imprisonment, in the discretion
248 of the court. Nothing in this section shall apply to any person
249 who owns, possesses, controls, installs, procures, repairs or
250 transports any gambling device, machine or equipment in accordance
251 with subsection (4) of Section 97-33-7 or Section 1 of House Bill
252 No. 451, 1991 Regular Session.

253 **SECTION 6.** Section 75-76-5, Mississippi Code of 1972, is
254 amended as follows:

255 75-76-5. As used in this chapter, unless the context
256 requires otherwise:

257 (a) "Applicant" means any person who has applied for or
258 is about to apply for a state gaming license, registration or
259 finding of suitability under the provisions of this chapter or

260 approval of any act or transaction for which approval is required
261 or permitted under the provisions of this chapter.

262 (b) "Application" means a request for the issuance of a
263 state gaming license, registration or finding of suitability under
264 the provisions of this chapter or for approval of any act or
265 transaction for which approval is required or permitted under the
266 provisions of this chapter but does not include any supplemental
267 forms or information that may be required with the application.

268 (c) "Associated equipment" means any equipment or
269 mechanical, electromechanical or electronic contrivance, component
270 or machine used remotely or directly in connection with gaming or
271 with any game, race book or sports pool that would not otherwise
272 be classified as a gaming device, including dice, playing cards,
273 links which connect to progressive slot machines, equipment which
274 affects the proper reporting of gross revenue, computerized
275 systems of betting at a race book or sports pool, computerized
276 systems for monitoring slot machines, and devices for weighing or
277 counting money.

278 (d) "Chairman," through September 30, 1993, means the
279 Chairman of the State Tax Commission, and thereafter means the
280 Chairman of the Mississippi Gaming Commission.

281 (e) "Commission" or "Mississippi Gaming Commission,"
282 through September 30, 1993, means the State Tax Commission, and
283 thereafter means the Mississippi Gaming Commission.

284 (f) "Commission member," through September 30, 1993,
285 means a member of the State Tax Commission, and thereafter means a
286 member of the Mississippi Gaming Commission.

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

291 (h) "Enforcement division" means a particular division
292 supervised by the executive director that provides enforcement
293 functions.

294 (i) "Establishment" means any premises wherein or
295 whereon any gaming is done.

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

300 (k) Except as otherwise provided by law, "game," or
301 "gambling game" means any banking or percentage game played with
302 cards, with dice or with any mechanical, electromechanical or
303 electronic device or machine for money, property, checks, credit
304 or any representative of value, including, without limiting the
305 generality of the foregoing, faro, monte, roulette, keno, fan-tan,
306 twenty-one, blackjack, seven-and-a-half, big injun, klondike,
307 craps, poker, chuck-a-luck (dai shu), wheel of fortune, chemin de
308 fer, baccarat, pai gow, beat the banker, panguingui, slot machine,
309 or any other game or device approved by the commission. However,
310 "game" or "gambling game" shall not include bingo games or raffles
311 which are held pursuant to the provisions of Section 97-33-51, or
312 (ii) the sale of items such as cards, tokens, chips or similar
313 items in a manner that is prohibited by Section 1 of this act.

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

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

320 (m) "Gaming device" means any mechanical,
321 electromechanical or electronic contrivance, component or machine
322 used in connection with gaming or any game which affects the
323 result of a wager by determining win or loss. The term includes a

324 system for processing information which can alter the normal
325 criteria of random selection, which affects the operation of any
326 game, or which determines the outcome of a game. The term does
327 not include a system or device which affects a game solely by
328 stopping its operation so that the outcome remains undetermined,
329 and does not include any antique coin machine as defined in
330 Section 27-27-12.

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

- 334 (i) Boxmen;
- 335 (ii) Cashiers;
- 336 (iii) Change personnel;
- 337 (iv) Counting room personnel;
- 338 (v) Dealers;
- 339 (vi) Floormen;
- 340 (vii) Hosts or other persons empowered to extend
341 credit or complimentary services;
- 342 (viii) Keno runners;
- 343 (ix) Keno writers;
- 344 (x) Machine mechanics;
- 345 (xi) Security personnel;
- 346 (xii) Shift or pit bosses;
- 347 (xiii) Shills;
- 348 (xiv) Supervisors or managers; and
- 349 (xv) Ticket writers.

350 The term "gaming employee" also includes employees of
351 manufacturers or distributors of gaming equipment within this
352 state whose duties are directly involved with the manufacture,
353 repair or distribution of gaming equipment.

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

357 (o) "Gaming license" means any license issued by the
358 state which authorizes the person named therein to engage in
359 gaming.

360 (p) "Gross revenue" means the total of all of the
361 following, less the total of all cash paid out as losses to
362 patrons and those amounts paid to purchase annuities to fund
363 losses paid to patrons over several years by independent financial
364 institutions:

365 (i) Cash received as winnings;

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

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

370 For the purposes of this definition, cash or the value of
371 noncash prizes awarded to patrons in a contest or tournament are
372 not losses.

373 The term does not include:

374 (i) Counterfeit money or tokens;

375 (ii) Coins of other countries which are received
376 in gaming devices;

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

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

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

384 (r) "Investigation division" means a particular
385 division supervised by the executive director that provides
386 investigative functions.

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

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

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

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

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

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

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

402 (z) "Party" means the Mississippi Gaming Commission and
403 any licensee or other person appearing of record in any proceeding
404 before the commission; or the Mississippi Gaming Commission and
405 any licensee or other person appearing of record in any proceeding
406 for judicial review of any action, decision or order of the
407 commission.

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

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

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

417 (dd) "Regulation" means a rule, standard, directive or
418 statement of general applicability which effectuates law or policy
419 or which describes the procedure or requirements for practicing
420 before the commission. The term includes a proposed regulation

421 and the amendment or repeal of a prior regulation but does not
422 include:

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

426 (ii) A declaratory ruling;

427 (iii) An interagency memorandum;

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

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

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

434 (ff) "Slot machine" means any mechanical, electrical or
435 other device, contrivance or machine which, upon insertion of a
436 coin, token or similar object, or upon payment of any
437 consideration, is available to play or operate, the play or
438 operation of which, whether by reason of the skill of the operator
439 or application of the element of chance, or both, may deliver or
440 entitle the person playing or operating the machine to receive
441 cash, premiums, merchandise, tokens or anything of value, whether
442 the payoff is made automatically from the machine or in any other
443 manner. The term does not include any antique coin machine as
444 defined in Section 27-27-12.

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

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

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

454 (jj) "Work permit" means any card, certificate or
455 permit issued by the commission, whether denominated as a work
456 permit, registration card or otherwise, authorizing the employment
457 of the holder as a gaming employee. A document issued by any
458 governmental authority for any employment other than gaming is not
459 a valid work permit for the purposes of this chapter.

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

463 (ll) "Cheat" means to alter the selection of criteria
464 that determine:

465 (i) The rules of a game; or

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

467 **SECTION 7.** This act shall take effect and be in force from
468 and after its passage.