

**Amends by Reference  
AMENDMENT NO 2 PROPOSED TO**

**Cmte Sub for House Bill No. 707**

**BY: Representative Clarke**

1           **AMEND** by inserting the following language after line 467 and  
2 renumbering the succeeding section:

3           **"SECTION 7.** As used in Sections 7 through 9 of this act, the  
4 following words and phrases shall have the meanings ascribed in  
5 this section unless the context clearly indicates otherwise:

6                   (a) "Commission" means the Mississippi Gaming  
7 Commission.

8                   (b) "Distributor" means any person authorized by the  
9 Mississippi Gaming Commission to distribute lottery tickets to  
10 retailers. A person having a gaming license issued under Section  
11 75-76-1 et seq., may be a distributor.

12                   (c) "Lottery" means any activity approved by the  
13 Mississippi Gaming Commission in which:

14                           (i) The player or players pay or agree to pay  
15 something of value for chances, represented and differentiated by  
16 tickets, slips of paper or other physical and tangible  
17 documentation upon which appear numbers, symbols, characters or  
18 other distinctive marks used to identify and designate the winner  
19 or winners;

20                           (ii) The winning chance or chances are to be  
21 determined by a drawing or similar selection method based

22 predominately upon the element of chance or random selection  
23 rather than upon the skill or judgment of the player or players;

24 (iii) The holder or holders of the winning chance  
25 or chances are to receive a prize or something of valuable  
26 consideration; and

27 (iv) The activity is conducted and participated in  
28 without regard to geographical location, with the player or  
29 players not being required to be present upon any particular  
30 premises or at any particular location in order to participate or  
31 to win.

32 (d) "Person" means any association, corporation, firm,  
33 partnership, trust or other form or business association as well  
34 as a natural person.

35 (e) "Retailer" means any person authorized by the  
36 Mississippi Gaming Commission to sell lottery tickets to the  
37 public. A person having a gaming license issued under Section  
38 75-76-1 et seq., may be a retailer if located in a county that has  
39 elected to participate in the state lottery.

40 **SECTION 8.** (1) There is created and established a state  
41 lottery, to be known as the Mississippi Lottery for Education Act.

42 (2) The Mississippi Gaming Commission shall administer the  
43 state lottery and shall have the authority to:

44 (a) Prescribe the method and form of application which  
45 an applicant for a distributor's license or retailer's license, or  
46 both, must follow and complete before consideration of his  
47 application by the commission;

48 (b) Prescribe guidelines for the review of applications  
49 for licenses and the approval or disapproval of such applications;

50 (c) Require an applicant to pay all or any part of the  
51 fees and costs of investigation of such applicant as may be  
52 determined by the commission, except that no applicant for an  
53 initial license shall be required to pay any part of the fees or

54 costs of the investigation of the applicant with regard to the  
55 initial license;

56 (d) Prescribe the manner and method of collection and  
57 payment of fees and issuance of licenses;

58 (e) Prescribe conditions under which a licensee may be  
59 subject to or revocation or suspension of his license;

60 (f) Prescribe guidelines regarding the conduct of  
61 specific lottery games including, but not limited to:

62 (i) The types of games to be conducted;

63 (ii) The sale price of tickets;

64 (iii) The number and amount of prizes;

65 (iv) The method and location of selecting or  
66 validating winning tickets;

67 (v) The frequency and means of conducting drawings  
68 which shall be open to the public;

69 (vi) The manner of payment of prizes;

70 (vii) The frequency of games and drawings; and

71 (viii) Any other matters necessary or desirable  
72 for the efficient and effective operation of lottery games;

73 (g) Enter into contracts with distributors for the  
74 distribution of lottery ticket to retailers; and

75 (h) Take any action necessary for the implementation  
76 and administration of the provisions of Sections 7 and 8 of this  
77 act and promulgate rules and regulations necessary for the  
78 implementation and administration of the provisions of Sections 7  
79 and 8 of this act.

80 (3) No ticket shall knowingly be sold to any person under  
81 the age of eighteen (18), but this subsection (3) does not  
82 prohibit the purchase of a ticket by a person eighteen (18) years  
83 of age or older for the purpose of making a gift to any person of  
84 any age. In such case, the commission shall direct payment to an

85 adult member of the person's family or the legal guardian of the  
86 person on behalf of such person.

87 (4) The proceeds received from the actual sale of lottery  
88 tickets, less a reasonable percentage determined by the commission  
89 to be retained by a retailer selling a ticket, shall be remitted  
90 to the commission on a monthly basis. The commission shall  
91 deposit the proceeds into the State Treasury on the day collected.  
92 At the end of each month, the commission shall certify the total  
93 proceeds collected from the sale of lottery tickets to the State  
94 Treasurer who shall distribute such collections as follows:

95 (a) As nearly as practicable, forty-five percent (45%)  
96 of the proceeds collected during the preceding month from the sale  
97 of lottery tickets in the state shall be allocated as prize money,  
98 to be distributed by the commission, provided that this provision  
99 shall not create any lien, entitlement, cause of action, or other  
100 private right, and any rights of holders of lottery tickets shall  
101 be determined by the commission in administering the lottery;

102 (b) A reasonable percentage, as determined by the  
103 commission, of the proceeds collected during the preceding month  
104 from the sale of lottery tickets in the state shall be allocated  
105 for distribution to the commission and paid to the commission to  
106 defray the costs of administering the provisions of Sections 7 and  
107 8 of this act;

108 (c) Four percent (4%) of the proceeds collected during  
109 the preceding month from the sale of lottery tickets within a  
110 county shall be allocated for distribution to such county and paid  
111 to such county;

112 (d) The remainder of the proceeds collected during the  
113 preceding month from the sale of lottery tickets in the state  
114 shall be deposited into the Mississippi's Hope Scholarship Trust  
115 Fund created in Section 9 of this act.

116           **SECTION 9.** (1) There is created in the State Treasury a  
117 special fund to be designated as the "Mississippi's Hope  
118 Scholarship Trust Fund," into which shall be deposited such funds  
119 as provided in Section 8(4)(d) of this act. All investment  
120 earnings or interest earned on amounts in the fund shall be  
121 deposited to the credit of the fund. Amounts remaining in the  
122 fund at the end of a fiscal year shall not lapse into the State  
123 General Fund.

124           (2) The trust fund shall remain inviolate and shall never be  
125 expended, except as provided in this section. Beginning in fiscal  
126 year 2007 and for each subsequent fiscal year, the Legislature may  
127 appropriate from the trust fund an amount not greater than the  
128 aggregate investment earnings and interest earned during the  
129 preceding fiscal year on amounts in the fund. Such appropriation  
130 shall be for the exclusive purpose of providing funds for the  
131 purposes described in Section 9 of this act, but shall not be  
132 considered to be the only source for providing funds for such  
133 purposes.

134           **SECTION 10.** (1) The trust fund shall be administered by the  
135 Mississippi Postsecondary Education Financial Assistance Board  
136 established under Section 37-106-9. The board shall set the date  
137 that will serve as the deadline for applying for an award under  
138 this section. The board shall award Hope scholarships to each  
139 Mississippi student who:

140           (a) (i) Has obtained a minimum cumulative grade point  
141 average of 3.0 calculated on a 4.0 scale in high school subjects  
142 acceptable for credit toward a diploma, after seven (7) semesters  
143 certified by the high school counselor or other authorized school  
144 official on the application,

145           (ii) Has completed a home study program meeting  
146 state law requirements in lieu of graduating from high school,  
147 earning a cumulative grade point average of 3.0 in an eligible

148 institution as described in paragraph (b) at end of the student's  
149 first quarter, trimester or semester, at which time the student  
150 shall be eligible to receive a retroactive Hope scholarship, or

151 (iii) Has received the general educational  
152 development (GED) diploma awarded by the Mississippi Department of  
153 Education, earning a cumulative grade point average of 3.0 in an  
154 eligible institution as described in paragraph (b) at end of the  
155 student's first quarter, trimester or semester, at which time the  
156 student shall be eligible to receive a retroactive Hope  
157 scholarship;

158 (b) Attends, on a full-time basis, any state  
159 institution of higher learning or public community or junior  
160 college, or any regionally accredited, state-approved, nonprofit  
161 four-year or two-year college or university located in the State  
162 of Mississippi as listed in Section 37-106-29 (4)(d), hereinafter  
163 referred to as an "eligible institution";

164 (c) Enrolls for the first time as a college student in  
165 Mississippi;

166 (d) Is a resident of the State of Mississippi and a  
167 United States citizen;

168 (e) Has complied with the United States Selective  
169 Service System requirements for registration, if such requirements  
170 are applicable to the student;

171 (f) Is not in default on a federal or state educational  
172 loan, or does not owe a refund on a federal student financial aid  
173 program or a state student financial aid program; and

174 (g) Has not been convicted of a felony offense  
175 involving marijuana or a controlled substance, or is not  
176 incarcerated.

177 (2) The annual award to a student shall be the total cost of  
178 the student's tuition for the calendar year, excluding nontuition  
179 fees and costs of books and other supplies. Payment of the award

180 shall be made payable to the recipient and the educational  
181 institution and mailed directly to the institution.

182 (3) A recipient shall maintain the equivalent of a 3.0  
183 cumulative grade point average on a 4.0 scale, on at least twelve  
184 (12) hours per quarter, trimester or semester in order to be  
185 eligible for a continuation of the award. No student may receive  
186 an award for more than the equivalent quarters, trimesters or  
187 semesters required to complete one (1) degree per institution.  
188 The award may be renewed annually upon certification of  
189 eligibility by an eligible institution that the recipient meets  
190 the necessary qualifications. If any recipient transfers from one  
191 (1) eligible institution to another, his award will be transferred  
192 provided he is eligible for the award. If a student fails to  
193 maintain continuous enrollment, he is ineligible to receive the  
194 award during the following quarter, trimester or semester of the  
195 regular academic year.

196 (4) The board may conduct annual audits of any institution  
197 participating in the program described in this section. The board  
198 may suspend or revoke an institution's eligibility to receive  
199 future monies under the program if it finds that the institution  
200 has not complied with the provisions of this section.

201 **SECTION 11.** Section 37-106-5, Mississippi Code of 1972, is  
202 amended as follows:

203 37-106-5. For purposes of this chapter, the following words  
204 shall be defined as follows unless the context requires otherwise:

205 (a) "Eligible applicant or eligible student" means an  
206 individual who is a bona fide resident of Mississippi or an  
207 out-of-state student who is enrolled or accepted for attendance at  
208 an approved institution located in Mississippi in a course of  
209 study including at least six (6) semester hours or the full-time  
210 equivalent thereof.

211           (b) "Approved institution" means an institution of  
212 higher learning, public or private, which is accredited by the  
213 Southern Association of Colleges and Secondary Schools, or its  
214 equivalent or a business, vocational, technical or other  
215 specialized school recognized and approved by the Post-Secondary  
216 Education Financial Assistance Board.

217           (c) "Board" means the Post-Secondary Education  
218 Financial Assistance Board created by Section 37-106-9 authorized  
219 and empowered to administer the provisions of this chapter.

220           (d) "Fund" means the \* \* \* fund created by Section  
221 37-106-31 or the trust fund created in Section 9 of House Bill No.  
222 707, 2006 Regular Session, as the case may be.

223           (e) "Financial need" means anticipated expenses of an  
224 eligible student while attending an approved institution which  
225 cannot reasonably be met by said student or by the parents thereof  
226 as shall be determined according to the criteria established by  
227 the rules and regulations of the board. Financial need shall be  
228 reevaluated and redetermined at least annually.

229           (f) "Agency" means the Board of Trustees of State  
230 Institutions of Higher Learning.

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

233           67-1-71. The commission may revoke or suspend any permit  
234 issued by it for a violation by the permittee of any of the  
235 provisions of this chapter or of the regulations promulgated under  
236 it by the commission.

237           Permits must be revoked or suspended for the following  
238 causes:

239           (a) Conviction of the permittee for the violation of  
240 any of the provisions of this chapter;



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

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

246 (d) Conviction of one (1) or more of the clerks, agents  
247 or employees of the permittee, of any violation of this chapter  
248 upon the premises covered by such permit within a period of time  
249 as designated by the rules or regulations of the commission;

250 (e) The possession on the premises of any retail  
251 permittee of any alcoholic beverages upon which the tax has not  
252 been paid;

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

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

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

262 (i) The conducting of any form of illegal gambling on  
263 the premises of any permittee or on any premises connected  
264 therewith or the presence on any such premises of any gambling  
265 device with the knowledge of the permittee.

266 The provisions of item (i) of this section shall not apply to  
267 gambling or the presence of any gambling devices, with knowledge  
268 of the permittee, on board a cruise vessel in the waters within  
269 the State of Mississippi, which lie adjacent to the State of  
270 Mississippi south of the three (3) most southern counties in the  
271 State of Mississippi, or on any vessel as defined in Section  
272 27-109-1 whenever such vessel is on the Mississippi River or

273 navigable waters within any county bordering on the Mississippi  
274 River. The commission may, in its discretion, issue on-premises  
275 retailer's permits to a common carrier of the nature described in  
276 this paragraph.

277 The provisions of item (i) of this section shall not apply to  
278 the operation of any game or lottery authorized by Sections 7 and  
279 8 of House Bill No. 707, 2006 Regular Session.

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

283 In addition to the causes specified in this section and other  
284 provisions of this chapter, the commission shall be authorized to  
285 suspend the permit of any permit holder for being out of  
286 compliance with an order for support, as defined in Section  
287 93-11-153. The procedure for suspension of a permit for being out  
288 of compliance with an order for support, and the procedure for the  
289 reissuance or reinstatement of a permit suspended for that  
290 purpose, and the payment of any fees for the reissuance or  
291 reinstatement of a permit suspended for that purpose, shall be  
292 governed by Section 93-11-157 or 93-11-163, as the case may be.  
293 If there is any conflict between any provision of Section  
294 93-11-157 or 93-11-163 and any provision of this chapter, the  
295 provisions of Section 93-11-157 or 93-11-163, as the case may be,  
296 shall control.

297 **SECTION 13.** Section 75-76-3, Mississippi Code of 1972, is  
298 amended as follows:

299 75-76-3. (1) The provisions of this chapter shall not be  
300 construed to legalize any form of gaming which is prohibited under  
301 the Mississippi Constitution or the laws of this state. All legal  
302 gaming which is conducted in this state and which is otherwise  
303 authorized by law shall be regulated and licensed pursuant to the  
304 provisions of this chapter, unless the Legislature specifically

305 provides otherwise. Nothing in this chapter shall be construed as  
306 encouraging the legalization of gambling in this state.

307 (2) The Legislature hereby finds and declares that lotteries  
308 and gaming both consist of the material element of chance. The  
309 Legislature is \* \* \* permitted by virtue of its inherent powers to  
310 legislate upon lotteries and gaming as the occasion arises. The  
311 Legislature derives its power to legislate upon lotteries and  
312 gaming or gambling devices from its inherent authority over the  
313 morals and policy of the people \* \* \*.

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

316 (a) Regulation of lotteries and licensed gaming is  
317 important in order that it be conducted honestly and  
318 competitively, that the rights of the creditors of licensees are  
319 protected and that it is free from criminal and corruptive  
320 elements.

321 (b) Public confidence and trust can only be maintained  
322 by strict regulation of all persons, locations, practices,  
323 associations and activities related to the operation of lotteries  
324 and licensed gaming establishments and the manufacture or  
325 distribution of gambling devices and equipment.

326 (c) All establishments where lotteries or gaming, or  
327 both, is conducted and \* \* \* manufacturers, sellers and  
328 distributors of certain lottery and gaming devices and equipment  
329 must therefore be licensed, controlled and assisted to protect the  
330 public health, safety, morals, good order and general welfare of  
331 the inhabitants of the state.

332 (4) It is the intent of the Legislature that gaming  
333 licensees and any entity authorized to conduct a lottery, to the  
334 extent practicable, employ residents of Mississippi as \* \* \*  
335 employees \* \* \* in the operation of their \* \* \* establishments  
336 located in this state.

337 (5) No applicant for a license or other affirmative  
338 commission approval has any right to a license or the granting of  
339 the approval sought. Any license issued or other commission  
340 approval granted pursuant to the provisions of this chapter is a  
341 revocable privilege, and no holder acquires any vested right  
342 therein or thereunder.

343 \* \* \*

344 **SECTION 14.** Section 97-33-11, Mississippi Code of 1972, is  
345 amended as follows:

346 97-33-11. It shall not be lawful for any association of  
347 persons of the character commonly known as a "club," whether such  
348 association be incorporated or not, in any manner, either directly  
349 or indirectly, to have any interest or concern in any gambling  
350 tables, banks, or games, by means of what is sometimes called a  
351 "rake-off" or "take-out," or by means of an assessment upon  
352 certain combinations, or hands at cards, or by means of a  
353 percentage extracted from players, or an assessment made upon, or  
354 a contribution from them, or by any other means, device or  
355 contrivance whatsoever. It shall not be lawful for such an  
356 association to lend or advance money or any other valuable thing  
357 to any person engaged or about to engage in playing any game of  
358 chance prohibited by law, or to become responsible directly or  
359 indirectly for any money or other valuable thing lost, or which  
360 may be lost, by any player in any such game. If any such  
361 association shall violate any of the provisions of this section  
362 each and every member thereof shall be guilty of a misdemeanor,  
363 and, upon conviction thereof shall be fined in a sum not more than  
364 Five Hundred Dollars (\$500.00); and unless such fine and costs be  
365 immediately paid, shall be imprisoned in the county jail for not  
366 less than five (5) nor more than twenty (20) days. Each grand  
367 jury shall cause such of the members of such an association as it  
368 may choose to appear before them and submit to examination

369 touching the observance or nonobservance by such association of  
370 the provisions hereof.

371 This section shall not apply to the operation of any game or  
372 lottery authorized by Sections 7 and 8 of House Bill No. 707, 2006  
373 Regular Session.

374 **SECTION 15.** Section 97-33-13, Mississippi Code of 1972, is  
375 amended as follows:

376 97-33-13. Any owner, lessee, or occupant of any outhouse or  
377 other building, who shall knowingly permit or suffer any of the  
378 before mentioned tables, banks, or games, or any other game  
379 prohibited by law, to be carried on, kept, or exhibited in his  
380 said house or other building, or on his lot or premises, being  
381 thereof convicted, shall be fined not less than One Hundred  
382 Dollars (\$100.00) nor more than Two Thousand Dollars (\$2,000.00).

383 This section shall not apply to the operation of any game or  
384 lottery authorized by Sections 7 and 8 of House Bill No. 707, 2006  
385 Regular Session.

386 **SECTION 16.** Section 97-33-21, Mississippi Code of 1972, is  
387 amended as follows:

388 97-33-21. Any person of full age who shall bet any money or  
389 thing of any value with a minor, or allow a minor to bet at any  
390 game or gaming-table exhibited by him, or in which he is  
391 interested or in any manner concerned, on conviction thereof,  
392 shall be fined not less than Three Hundred Dollars (\$300.00) and  
393 imprisoned not less than three (3) months.

394 This section shall apply to minors under the age of eighteen  
395 (18) as it might apply to the operation of any game or lottery  
396 authorized by Sections 7 and 8 of House Bill No. 707, 2006 Regular  
397 Session.

398 **SECTION 17.** Section 97-33-23, Mississippi Code of 1972, is  
399 amended as follows:

400           97-33-23. Any person of full age who shall bet any money or  
401 thing of value with a minor, knowing such minor to be under the  
402 age of twenty-one (21) years, or allowing any such minor to bet at  
403 any game or games, or at any gaming-table exhibited by him, or in  
404 which he is interested or in any manner concerned, on conviction  
405 thereof, shall be punished by imprisonment in the Penitentiary not  
406 exceeding two (2) years.

407           This section shall apply to minors under the age of eighteen  
408 (18) with regard to the operation of any game or lottery  
409 authorized by Sections 7 and 8 of House Bill No. 707, 2006 Regular  
410 Session.

411           **SECTION 18.** Section 97-33-31, Mississippi Code of 1972, is  
412 amended as follows:

413           97-33-31. If any person, in order to raise money for himself  
414 or another, or for any purpose whatever, shall publicly or  
415 privately put up a lottery to be drawn or adventured for, he  
416 shall, on conviction, be imprisoned in the Penitentiary not  
417 exceeding five (5) years.

418           This section shall not apply to the operation of any game or  
419 lottery authorized by Sections 7 and 8 of House Bill No. 707, 2006  
420 Regular Session.

421           **SECTION 19.** Section 97-33-33, Mississippi Code of 1972, is  
422 amended as follows:

423           97-33-33. If any person shall in any way advertise any  
424 lottery whatever, no matter where located, or shall knowingly have  
425 in his possession any posters or other lottery advertisements of  
426 any kind save a regularly issued newspaper containing such an  
427 advertisement without intent to circulate the same as an  
428 advertisement he shall, on conviction, be fined not less than  
429 Twenty-five Dollars (\$25.00) nor more than One Hundred Dollars  
430 (\$100.00), or be imprisoned in the county jail not exceeding three  
431 (3) months, or both.

432 This section shall not apply to the operation of any game or  
433 lottery authorized by Sections 7 and 8 of House Bill No. 707, 2006  
434 Regular Session.

435 **SECTION 20.** Section 97-33-35, Mississippi Code of 1972, is  
436 amended as follows:

437 97-33-35. If any newspaper published or circulated in this  
438 state shall contain an advertisement of any lottery whatever, or  
439 any matter intended to advertise a lottery, no matter where  
440 located, the editor or editors, publisher or publishers, and the  
441 owner or owners thereof permitting the same, shall be guilty of a  
442 misdemeanor, and, on conviction, shall be fined not less than One  
443 Hundred Dollars (\$100.00) nor more than One Thousand Dollars  
444 (\$1,000.00), and be imprisoned in the county jail not less than  
445 ten (10) days nor more than three (3) months, for each offense.  
446 The issuance of each separate daily or weekly edition of the  
447 newspaper that shall contain such an advertisement shall be  
448 considered a separate offense.

449 This section shall not apply to the operation of any game or  
450 lottery authorized by Sections 7 and 8 of House Bill No. 707, 2006  
451 Regular Session.

452 **SECTION 21.** Section 97-33-37, Mississippi Code of 1972, is  
453 amended as follows:

454 97-33-37. If any newsdealer or other person shall, directly  
455 or indirectly, sell or offer for sale any newspaper or other  
456 publication containing a lottery advertisement, he shall be guilty  
457 of a misdemeanor, and upon conviction, shall be fined not less  
458 than Ten Dollars (\$10.00) or imprisoned not less than ten (10)  
459 days or both.

460 This section shall not apply to the operation of any game or  
461 lottery authorized by Sections 7 and 8 of House Bill No. 707, 2006  
462 Regular Session.

463           **SECTION 22.** Section 97-33-39, Mississippi Code of 1972, is  
464 amended as follows:

465           97-33-39. If any person shall sell, or offer or expose for  
466 sale, any lottery ticket, whether the lottery be in or out of this  
467 state, or for or in any other state, territory, district, or  
468 country, he shall, on conviction, be fined not less than  
469 Twenty-five Dollars (\$25.00) nor more than One Hundred Dollars  
470 (\$100.00), or imprisoned in the county jail not less than ten (10)  
471 days nor more than sixty (60) days, or both.

472           This section shall not apply to the operation of any game or  
473 lottery authorized by Sections 7 and 8 of House Bill No. 707, 2006  
474 Regular Session.

475           **SECTION 23.** Section 97-33-41, Mississippi Code of 1972, is  
476 amended as follows:

477           97-33-41. If any person shall buy in this state any lottery  
478 ticket, whether the lottery be in or out of this state, or of or  
479 in any other state, territory, district, or country, he shall, on  
480 conviction, be fined not less than Five Dollars (\$5.00) nor more  
481 than Twenty-five Dollars (\$25.00), or be imprisoned in the county  
482 jail not exceeding ten (10) days, or both.

483           This section shall not apply to the operation of any game or  
484 lottery authorized by Sections 7 and 8 of House Bill No. 707, 2006  
485 Regular Session.

486           **SECTION 24.** Section 97-33-43, Mississippi Code of 1972, is  
487 amended as follows:

488           97-33-43. If any railroad company shall suffer or permit the  
489 sale of a lottery ticket of any kind on its cars, or at its depots  
490 or depot grounds, or by its employees, no matter where the lottery  
491 is located, it shall be guilty of a misdemeanor, and, on  
492 conviction shall be fined not less than Twenty Dollars (\$20.00)  
493 nor more than One Hundred Dollars (\$100.00) for every such ticket  
494 so sold.



495       This section shall not apply to the operation of any game or  
496 lottery authorized by Sections 7 and 8 of House Bill No. 707, 2006  
497 Regular Session.

498       **SECTION 25.** Section 97-33-45, Mississippi Code of 1972, is  
499 amended as follows:

500       97-33-45. If the owner or owners of any steamboat shall  
501 suffer or permit the sale of a lottery ticket of any kind on his  
502 or their boat, or by his or their employees, no matter where the  
503 lottery is located, he or they shall be guilty of a misdemeanor,  
504 and shall, on conviction, be punished as prescribed in Section  
505 97-33-43.

506       This section shall not apply to the operation of any game or  
507 lottery authorized by Sections 7 and 8 of House Bill No. 707, 2006  
508 Regular Session.

509       **SECTION 26.** Section 97-33-47, Mississippi Code of 1972, is  
510 amended as follows:

511       97-33-47. If any person shall act as agent for any lottery  
512 or lottery company, no matter where domiciled or located, or if he  
513 shall assume to so act as agent, or if he receive any money or  
514 other thing for any such lottery or lottery company, or deliver to  
515 any person any ticket or tickets, prize or prizes, or other thing  
516 from such lottery or lottery company, he shall, on conviction, be  
517 fined not less than One Hundred Dollars (\$100.00), nor more than  
518 Five Hundred Dollars (\$500.00), and be imprisoned in the county  
519 jail not less than three (3) months nor more than six (6) months.

520       This section shall not apply to the operation of any game or  
521 lottery authorized by Sections 7 and 8 of House Bill No. 707, 2006  
522 Regular Session.

523       **SECTION 27.** Section 97-33-49, Mississippi Code of 1972, is  
524 amended as follows:

525           97-33-49. Except as otherwise provided in Section 97-33-51,  
526 if any person, in order to raise money for himself or another,  
527 shall publicly or privately put up or in any way offer any prize  
528 or thing to be raffled or played for, he shall, on conviction, be  
529 fined not more than Twenty Dollars (\$20.00), or be imprisoned not  
530 more than one (1) month in the county jail.

531           This section shall not apply to the operation of any game or  
532 lottery authorized by Sections 7 and 8 of House Bill No. 707, 2006  
533 Regular Session.

534           **SECTION 28.** Section 27-65-111, Mississippi Code of 1972, is  
535 amended as follows:

536           27-65-111. The exemptions from the provisions of this  
537 chapter which are not industrial, agricultural or governmental, or  
538 which do not relate to utilities or taxes, or which are not  
539 properly classified as one of the exemption classifications of  
540 this chapter, shall be confined to persons or property exempted by  
541 this section or by the Constitution of the United States or the  
542 State of Mississippi. No exemptions as now provided by any other  
543 section, except the classified exemption sections of this chapter  
544 set forth herein, shall be valid as against the tax herein levied.  
545 Any subsequent exemption from the tax levied hereunder, except as  
546 indicated above, shall be provided by amendments to this section.

547           No exemption provided in this section shall apply to taxes  
548 levied by Section 27-65-15 or 27-65-21, Mississippi Code of 1972.

549           The tax levied by this chapter shall not apply to the  
550 following:

551           (a) Sales of tangible personal property and services to  
552 hospitals or infirmaries owned and operated by a corporation or  
553 association in which no part of the net earnings inures to the  
554 benefit of any private shareholder, group or individual, and which  
555 are subject to and governed by Sections 41-7-123 through 41-7-127.

556           Only sales of tangible personal property or services which  
557 are ordinary and necessary to the operation of such hospitals and  
558 infirmaries are exempted from tax.

559           (b) Sales of daily or weekly newspapers, and  
560 periodicals or publications of scientific, literary or educational  
561 organizations exempt from federal income taxation under Section  
562 501(c)(3) of the Internal Revenue Code of 1954, as it exists as of  
563 March 31, 1975, and subscription sales of all magazines.

564           (c) Sales of coffins, caskets and other materials used  
565 in the preparation of human bodies for burial.

566           (d) Sales of tangible personal property for immediate  
567 export to a foreign country.

568           (e) Sales of tangible personal property to an  
569 orphanage, old men's or ladies' home, supported wholly or in part  
570 by a religious denomination, fraternal nonprofit organization or  
571 other nonprofit organization.

572           (f) Sales of tangible personal property, labor or  
573 services taxable under Sections 27-65-17, 27-65-19 and 27-65-23,  
574 to a YMCA, YWCA, a Boys' or Girls' Club owned and operated by a  
575 corporation or association in which no part of the net earnings  
576 inures to the benefit of any private shareholder, group or  
577 individual.

578           (g) Sales to elementary and secondary grade schools,  
579 junior and senior colleges owned and operated by a corporation or  
580 association in which no part of the net earnings inures to the  
581 benefit of any private shareholder, group or individual, and which  
582 are exempt from state income taxation, provided that this  
583 exemption does not apply to sales of property or services which  
584 are not to be used in the ordinary operation of the school, or  
585 which are to be resold to the students or the public.

586           (h) The gross proceeds of retail sales and the use or  
587 consumption in this state of drugs and medicines:

588 (i) Prescribed for the treatment of a human being  
589 by a person authorized to prescribe the medicines, and dispensed  
590 or prescription filled by a registered pharmacist in accordance  
591 with law; or

592 (ii) Furnished by a licensed physician, surgeon,  
593 dentist or podiatrist to his own patient for treatment of the  
594 patient; or

595 (iii) Furnished by a hospital for treatment of any  
596 person pursuant to the order of a licensed physician, surgeon,  
597 dentist or podiatrist; or

598 (iv) Sold to a licensed physician, surgeon,  
599 podiatrist, dentist or hospital for the treatment of a human  
600 being; or

601 (v) Sold to this state or any political  
602 subdivision or municipal corporation thereof, for use in the  
603 treatment of a human being or furnished for the treatment of a  
604 human being by a medical facility or clinic maintained by this  
605 state or any political subdivision or municipal corporation  
606 thereof.

607 "Medicines," as used in this paragraph (h), shall mean and  
608 include any substance or preparation intended for use by external  
609 or internal application to the human body in the diagnosis, cure,  
610 mitigation, treatment or prevention of disease and which is  
611 commonly recognized as a substance or preparation intended for  
612 such use; provided that "medicines" do not include any auditory,  
613 prosthetic, ophthalmic or ocular device or appliance, any dentures  
614 or parts thereof or any artificial limbs or their replacement  
615 parts, articles which are in the nature of splints, bandages,  
616 pads, compresses, supports, dressings, instruments, apparatus,  
617 contrivances, appliances, devices or other mechanical, electronic,  
618 optical or physical equipment or article or the component parts

619 and accessories thereof, or any alcoholic beverage or any other  
620 drug or medicine not commonly referred to as a prescription drug.

621 Notwithstanding the preceding sentence of this paragraph (h),  
622 "medicines" as used in this paragraph (h), shall mean and include  
623 sutures, whether or not permanently implanted, bone screws, bone  
624 pins, pacemakers and other articles permanently implanted in the  
625 human body to assist the functioning of any natural organ, artery,  
626 vein or limb and which remain or dissolve in the body.

627 "Hospital," as used in this paragraph (h), shall have the  
628 meaning ascribed to it in Section 41-9-3, Mississippi Code of  
629 1972.

630 Insulin furnished by a registered pharmacist to a person for  
631 treatment of diabetes as directed by a physician shall be deemed  
632 to be dispensed on prescription within the meaning of this  
633 paragraph (h).

634 (i) Retail sales of automobiles, trucks and  
635 truck-tractors if exported from this state within forty-eight (48)  
636 hours and registered and first used in another state.

637 (j) Sales of tangible personal property or services to  
638 the Salvation Army and the Muscular Dystrophy Association, Inc.

639 (k) From July 1, 1985, through December 31, 1992,  
640 retail sales of "alcohol blended fuel" as such term is defined in  
641 Section 75-55-5. The gasoline-alcohol blend or the straight  
642 alcohol eligible for this exemption shall not contain alcohol  
643 distilled outside the State of Mississippi.

644 (l) Sales of tangible personal property or services to  
645 the Institute for Technology Development.

646 (m) The gross proceeds of retail sales of food and  
647 drink for human consumption made through vending machines serviced  
648 by full line vendors from and not connected with other taxable  
649 businesses.

650 (n) The gross proceeds of sales of motor fuel.

651           (o) Retail sales of food for human consumption  
652 purchased with food stamps issued by the United States Department  
653 of Agriculture, or other federal agency, from and after October 1,  
654 1987, or from and after the expiration of any waiver granted  
655 pursuant to federal law, the effect of which waiver is to permit  
656 the collection by the state of tax on such retail sales of food  
657 for human consumption purchased with food stamps.

658           (p) Sales of cookies for human consumption by the Girl  
659 Scouts of America no part of the net earnings from which sales  
660 inures to the benefit of any private group or individual.

661           (q) Gifts or sales of tangible personal property or  
662 services to public or private nonprofit museums of art.

663           (r) Sales of tangible personal property or services to  
664 alumni associations of state-supported colleges or universities.

665           (s) Sales of tangible personal property or services to  
666 chapters of the National Association of Junior Auxiliaries, Inc.

667           (t) Sales of tangible personal property or services to  
668 domestic violence shelters which qualify for state funding under  
669 Sections 93-21-101 through 93-21-113.

670           (u) Sales of tangible personal property or services to  
671 the National Multiple Sclerosis Society, Mississippi Chapter.

672           (v) Retail sales of food for human consumption  
673 purchased with food instruments issued the Mississippi Band of  
674 Choctaw Indians under the Women, Infants and Children Program  
675 (WIC) funded by the United States Department of Agriculture.

676           (w) Sales of tangible personal property or services to  
677 a private company, as defined in Section 57-61-5, which is making  
678 such purchases with proceeds of bonds issued under Section 57-61-1  
679 et seq., the Mississippi Business Investment Act.

680           (x) The gross collections from the operation of  
681 self-service, coin-operated car washing equipment and sales of the

682 service of washing motor vehicles with portable high-pressure  
683 washing equipment on the premises of the customer.

684 (y) Sales of tangible personal property or services to  
685 the Mississippi Technology Alliance.

686 (z) Sales of lottery tickets by a retailer as  
687 authorized by Sections 7 and 8 of House Bill No. 707, 2006 Regular  
688 Session.

689 **SECTION 29.** Sections 9 and 10 of this act shall be codified  
690 in Chapter 106, Title 37, Mississippi Code of 1972."

691 **AMEND FURTHER** by inserting the following language after line  
692 253:

693 "This section shall not apply to the operation of any game or  
694 lottery authorized by Sections 7 and 8 of House Bill No. 707, 2006  
695 Regular Session."

696 **AMEND FURTHER** by inserting the following language before the  
697 period on line 314:

698 ", or any games or lottery authorized by Sections 7 and 8 of House  
699 Bill No. 707, 2006 Regular Session"