

By: Senator(s) Tindell, Moran, Simmons  
(12th)

To: Judiciary, Division A

SENATE BILL NO. 2541  
(As Sent to Governor)

1 AN ACT TO CREATE THE FANTASY CONTEST TASK FORCE; TO CREATE  
2 THE FANTASY CONTEST ACT; TO CREATE NEW SECTION 97-33-301,  
3 MISSISSIPPI CODE OF 1972, TO ENACT A SHORT TITLE; TO CREATE NEW  
4 SECTION 97-33-303, MISSISSIPPI CODE OF 1972, TO ENACT DEFINITIONS;  
5 TO CREATE NEW SECTION 97-33-305, MISSISSIPPI CODE OF 1972, TO  
6 PROVIDE THAT THE OPERATOR OF A FANTASY CONTEST WITH AN ENTRY FEE  
7 MUST IMPLEMENT CERTAIN PROCEDURES, CONTRACT WITH A THIRD PARTY TO  
8 ANNUALLY PERFORM AN INDEPENDENT AUDIT TO ENSURE COMPLIANCE WITH  
9 THIS ACT AND SUBMIT THE RESULTS TO THE GAMING COMMISSION; TO  
10 CREATE NEW SECTION 97-33-307, MISSISSIPPI CODE OF 1972, TO REQUIRE  
11 THAT THE OPERATOR OF A FANTASY CONTEST WITH AN ENTRY FEE MUST  
12 REGISTER UNDER THE ACT; TO CREATE NEW SECTION 97-33-309,  
13 MISSISSIPPI CODE OF 1972, TO PROVIDE A CIVIL PENALTY FOR  
14 VIOLATIONS OF THIS ACT AND TO PROVIDE THAT CERTAIN CIVIL AND  
15 CRIMINAL PENALTIES SHALL NOT APPLY TO FANTASY CONTEST OPERATORS  
16 WHO COMPLY WITH THE PROVISIONS OF THIS ACT; TO CREATE NEW SECTION  
17 97-33-311, MISSISSIPPI CODE OF 1972, TO PROVIDE THAT THE GAMING  
18 CONTROL ACT SHALL NOT APPLY TO FANTASY CONTESTS; TO CREATE SECTION  
19 97-33-313, MISSISSIPPI CODE OF 1972, TO PROVIDE FOR SUNSET OF THE  
20 FANTASY CONTEST ACT; TO CREATE SECTION 97-33-315, MISSISSIPPI CODE  
21 OF 1972, TO PROVIDE FOR RESOLUTION OF DISPUTES OVER WINNINGS; AND  
22 FOR RELATED PURPOSES.

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

24 **SECTION 1.** (1) There is hereby created the Fantasy Contest  
25 Task Force to undertake a comprehensive review of the offering of  
26 fantasy contests with a fee within this state and to recommend the  
27 proper oversight and regulation of the offering of fantasy  
28 contests with a fee. The task force shall be chaired by the



29 Chairperson of the Senate Judiciary Committee, Subdivision "A" and  
30 the Chairperson of the House of Representatives Gaming Committee,  
31 acting as co-chairs, and further shall be composed of seven (7)  
32 members, as follows:

33 (a) The Executive Director of the Mississippi Gaming  
34 Commission or a designee;

35 (b) The Commissioner of Revenue or a designee;

36 (c) An assistant or special assistant attorney general  
37 assigned to the Gaming Commission as designated by the Attorney  
38 General;

39 (d) Two (2) members appointed by the Chairperson of the  
40 Senate Judiciary Committee, Subdivision A; and

41 (e) Two (2) members appointed by the Chairperson of the  
42 House of Representatives Gaming Committee.

43 (2) The appointed members of the task force must be  
44 appointed within thirty (30) days of the effective date of this  
45 act. Any vacancy in the task force shall not affect its powers,  
46 but shall be filled as prescribed in subsection (1). The task  
47 force shall hold its first meeting within sixty (60) days of the  
48 effective date of this act, on the call of the co-chairpersons of  
49 the task force. A majority of the membership of the task force  
50 shall constitute a quorum, and shall meet at the call of the  
51 co-chairs, or upon an affirmative vote of a majority of the task  
52 force. All members must be notified in writing of all meetings at



53 least five (5) days before the date on which a meeting of the task  
54 force is scheduled.

55 (3) The members of the task force shall serve without  
56 compensation.

57 (4) The task force shall prepare and submit a final report  
58 that contains a detailed statement of findings, conclusions and  
59 recommendations of the task force to the Legislature by October  
60 15, 2016. The report shall be made available to the public.

61 **SECTION 2.** The following shall be codified as Section  
62 97-33-301, Mississippi Code of 1972:

63 97-33-301. Sections 2 through 9 of this act shall be known  
64 as the "Fantasy Contest Act."

65 **SECTION 3.** The following shall be codified as Section  
66 97-33-303, Mississippi Code of 1972:

67 97-33-303. As used in this act:

68 (a) "Confidential information" means information  
69 related to the play of a fantasy contest by fantasy contest  
70 players obtained as a result of or by virtue of a person's  
71 employment.

72 (b) "Entry fee" means cash or cash equivalent that is  
73 required to be paid by a fantasy contest player to a fantasy  
74 contest operator to participate in a fantasy contest.

75 (c) "Fantasy contest" or "fantasy contest with an entry  
76 fee" means a fantasy or simulated game or contest in which:



77 (i) The value of all prizes and awards offered to  
78 winning players is established and made known to the players in  
79 advance of the contest;

80 (ii) All winning outcomes reflect the relative  
81 knowledge and skill of the players and are determined  
82 predominately by accumulated statistical results of the  
83 performance of individuals, including athletes in the case of  
84 sporting events; and

85 (iii) Winning outcomes are not based on the score,  
86 point spread, or any performance of any single actual sports team  
87 or combination of such teams or solely on any single performance  
88 of an individual athlete in any single actual sporting event.

89 (d) "Fantasy contest operator" means a person or entity  
90 that offers fantasy contests with an entry fee and for a cash  
91 prize to one hundred (100) or more members of the general public.

92 (e) "Fantasy contest player" or "player" means a person  
93 who participates in a fantasy contest offered by a fantasy contest  
94 operator.

95 (f) "Office" means the Gaming Commission as set forth  
96 in Section 75-76-7.

97 **SECTION 4.** The following shall be codified as Section  
98 97-33-305, Mississippi Code of 1972:

99 97-33-305. (1) Fantasy contests with an entry fee are legal  
100 in this state. A fantasy contest operator must comply with the  
101 provisions of this section.



102           (2) A fantasy contest operator must implement procedures for  
103 fantasy contests with an entry fee to:

104           (a) Prevent employees of the fantasy contest operator,  
105 and relatives living in the same household with an employee, from  
106 competing in public fantasy contests offered by a fantasy contest  
107 operator in which the operator offers a cash prize;

108           (b) Prevent sharing with third parties of confidential  
109 information that could affect the fantasy contest play until the  
110 information is made publicly available;

111           (c) Prevent the fantasy contest operator from  
112 participating in a fantasy contest he or she offers;

113           (d) Verify that a fantasy contest player in a fantasy  
114 contest is eighteen (18) years of age or older;

115           (e) Ensure that individuals who participate or  
116 officiate in a game or contest that is the subject of a fantasy  
117 contest will be restricted from entering a fantasy contest that is  
118 determined, in whole or in part, on the accumulated statistical  
119 results of a team of individuals in a fantasy contest in which he  
120 or she is a player;

121           (f) Allow individuals to restrict themselves from  
122 entering a fantasy contest upon request and provide reasonable  
123 steps to prevent the person from entering fantasy contests offered  
124 by the operator;

125           (g) Disclose the number of entries that a fantasy  
126 contest player may submit to each fantasy contest and provide



127 reasonable steps to prevent players from submitting more than the  
128 allowable number; and

129 (h) Segregate fantasy contest player funds from  
130 operational funds and maintain a reserve in the form of cash, cash  
131 equivalents, an irrevocable letter of credit, a bond, or a  
132 combination thereof, in the amount of the deposits made to the  
133 accounts of fantasy contest players for the benefit and protection  
134 of the funds held in the accounts.

135 (3) The statistical results and performance of individuals  
136 used to determine a player's outcome are restricted to only  
137 professional athletes and professional athletic events.

138 (4) A fantasy contest operator offering fantasy contests  
139 with an entry fee in this state must contract with a third party  
140 to annually perform an independent audit to ensure compliance with  
141 this section, and must submit the results of the audit to the  
142 office.

143 **SECTION 5.** The following shall be codified as Section  
144 97-33-307, Mississippi Code of 1972:

145 97-33-307. (1) A fantasy contest operator offering fantasy  
146 contests to be played by persons in this state must register with  
147 the office to conduct fantasy contests within this state.

148 (2) A fantasy contest operator offering fantasy contests  
149 within this state must be lawfully conducting business within this  
150 state.

151 (3) Registration information shall include:



152 (a) The identity and name, address and telephone number  
153 of the person or business entity offering fantasy contests as well  
154 as the name, fictitious name or business name under which the  
155 fantasy contests are offered; the duty to provide current and  
156 accurate information is an ongoing duty; and

157 (b) One (1) year after initial registration, the  
158 third-party audit required by Section 97-33-305(3).

159 (4) Registration information shall be available for public  
160 review.

161 (5) Only a licensee under the Gaming Control Act may offer  
162 on-premises fantasy contests in the licensee's licensed gaming  
163 establishment. On-premises fantasy contests shall not be offered  
164 at any other commercial or business establishment.

165 **SECTION 6.** The following shall be codified as Section  
166 97-33-309, Mississippi Code of 1972:

167 97-33-309. A person, firm, corporation, association, agent  
168 or employee violating the Fantasy Contest Act shall be subject to  
169 a civil penalty of not more than Ten Thousand Dollars (\$10,000.00)  
170 for each violation, which shall accrue to the state and may be  
171 recovered in a civil action brought by the office.

172 **SECTION 7.** The following shall be codified as Section  
173 97-33-311, Mississippi Code of 1972:

174 97-33-311. The Gaming Control Act shall not apply to fantasy  
175 contests, except as authorized in this act.



176           **SECTION 8.** The following shall be codified as Section  
177 97-33-313, Mississippi Code of 1972:

178           97-33-313. Disputes over winnings shall be resolved under  
179 the procedures set forth in Sections 75-76-157 through 75-76-173.

180           **SECTION 9.** The following shall be codified as Section  
181 97-33-315, Mississippi Code of 1972:

182           97-33-315. Sections 97-33-301 through 97-33-315 shall stand  
183 repealed on July 1, 2017.

184           **SECTION 10.** This act shall take effect and be in force from  
185 and after its passage.

