

By: Representative Bennett

To: Gaming

HOUSE BILL NO. 196

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 WITH THE PREVIOUS
 12 PROVISIONS OF THIS ACT; TO AMEND SECTION 97-33-8, MISSISSIPPI CODE
 13 OF 1972, TO MAKE IT UNLAWFUL FOR ANY PERSON OR ENTITY TO SELL
 14 CERTAIN "SCRATCH AND WIN" CARDS; AND FOR RELATED PURPOSES.

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

16 **SECTION 1.** It shall be unlawful for any person to sell
 17 cards, tokens, chips or similar items, that entitle a buyer to
 18 long distance telephone service or other forms of service, and
 19 that are attached to, accompanied by or part of a scratch pad, bar
 20 code or similar item that the buyer may use to win, redeem or
 21 otherwise obtain anything of value greater than the amount paid
 22 for the card, token, chip or other item, and such a sale shall
 23 constitute an illegal gambling activity. Any person convicted of
 24 a violation of this section shall be punished as provided for in



25 this chapter. The provisions of this section shall not apply to
26 any prizes or sweepstakes that may be offered by vendors or
27 retailers associated with the purchase of food or beverages.

28 **SECTION 2.** The commission shall establish and maintain a
29 toll-free telephone number for the purpose of receiving reports
30 from individuals of illegal gambling activities. The commission
31 shall make available the number for posting in conspicuous places
32 throughout this state.

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

35 97-33-1. Except as otherwise provided in Section 97-33-8, if
36 any person shall encourage, promote or play at any game,
37 play * * *, amusement or other illegal gambling activity, other
38 than a fight or fighting match between dogs, for money or other
39 valuable thing, or shall wager or bet, promote or encourage the
40 wagering or betting of any money or other valuable things, upon
41 any game, play, amusement, cockfight, Indian ball play * * *,
42 duel, other than a fight or fighting match between dogs, or other
43 illegal gambling activity, or upon the result of any election,
44 event or contingency whatever, upon conviction thereof, he shall
45 be fined in a sum not more than Five Hundred Dollars (\$500.00);
46 and, unless such fine and costs be immediately paid, shall be
47 imprisoned for any period not more than ninety (90) days.
48 However, this section shall not apply to betting, gaming or
49 wagering:



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

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

64 (i) The structure is owned, leased or controlled
65 by a person possessing a gaming license, as defined in Section
66 75-76-5, to conduct legal gaming on a cruise vessel under
67 paragraph (a) of this section;

68 (ii) The part of the structure in which licensed
69 gaming activities are conducted is located entirely in an area
70 which is located no more than eight hundred (800) feet from the
71 mean high-water line (as defined in Section 29-15-1) of the waters
72 within the State of Mississippi, which lie adjacent to the State
73 of Mississippi south of the three (3) most southern counties in
74 the State of Mississippi, including the Mississippi Sound, St.



75 Louis Bay, Biloxi Bay and Pascagoula Bay, or, with regard to
76 Harrison County only, no farther north than the southern boundary
77 of the right-of-way for U.S. Highway 90, whichever is greater; and

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

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

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

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



100 97-33-7. (1) Except as otherwise provided in Section
101 97-33-8, it shall be unlawful for any person or persons, firm,
102 copartnership or corporation to have in possession, own, control,
103 display, or operate any cane rack, knife rack, artful dodger,
104 punch board, roll down, merchandise wheel, slot machine, pinball
105 machine, or similar device or devices, or for any person to
106 possess with intent to sell cards, tokens, chips or other items
107 described in Section 1 of this act. * * * This section shall not
108 be so construed as to make unlawful the ownership, possession,
109 control, display or operation of any antique coin machine as
110 defined in Section 27-27-12, or any music machine or bona fide
111 automatic vending machine where the purchaser receives exactly the
112 same quantity of merchandise on each operation of said machine.
113 Any slot machine other than an antique coin machine as defined in
114 Section 27-27-12 which delivers, or is so constructed as that by
115 operation thereof it will deliver to the operator thereof anything
116 of value in varying quantities, in addition to the merchandise
117 received, and any slot machine other than an antique coin machine
118 as defined in Section 27-27-12 that is constructed in such manner
119 as that slugs, tokens, coins or similar devices are, or may be,
120 used and delivered to the operator thereof in addition to
121 merchandise of any sort contained in such machine, is hereby
122 declared to be a gambling device, and shall be deemed unlawful
123 under the provisions of this section. * * * However, * * *
124 pinball machines which do not return to the operator or player



125 thereof anything but free additional games or plays shall not be
126 deemed to be gambling devices, and neither this section nor any
127 other law shall be construed to prohibit same.

128 (2) No property right shall exist in any person, natural or
129 artificial, or be vested in such person, in any or all of the
130 devices described herein that are not exempted from the provisions
131 of this section; and all such devices are hereby declared to be at
132 all times subject to confiscation and destruction, and their
133 possession shall be unlawful, except when in the possession of
134 officers carrying out the provisions of this section. It shall be
135 the duty of all law enforcing officers to seize and immediately
136 destroy all such machines and devices.

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

147 (4) Notwithstanding any provision of this section to the
148 contrary, it shall not be unlawful to operate any equipment or
149 device described in subsection (1) of this section or any gaming,



150 gambling or similar device or devices by whatever name
151 called * * *:

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

161 (b) * * * While in a structure located, in whole or in
162 part, on shore in any of the three (3) most southern counties in
163 the State of Mississippi in which the registered voters of the
164 county have voted to allow such betting, gaming or wagering on
165 cruise vessels as provided in Section 19-3-79, if:

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

170 (ii) The part of the structure in which licensed
171 gaming activities are conducted is located entirely in an area
172 which is located no more than eight hundred (800) feet from the
173 mean high-water line (as defined in Section 29-15-1) of the waters
174 within the State of Mississippi, which lie adjacent to the State



175 of Mississippi south of the three (3) most southern counties in
176 the State of Mississippi, including the Mississippi Sound, St.
177 Louis Bay, Biloxi Bay and Pascagoula Bay, or, with regard to
178 Harrison County only, no farther north than the southern boundary
179 of the right-of-way for U.S. Highway 90, whichever is greater; and

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

192 (c) * * * While on a vessel as defined in Section
193 27-109-1 whenever such vessel is on the Mississippi River or
194 navigable waters within any county bordering on the Mississippi
195 River, and in which the registered voters of the county in which
196 the port is located have not voted to prohibit such betting,
197 gaming or wagering on vessels as provided in Section 19-3-79; or

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



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



225 with this subsection shall not be subject to any prosecution or
226 penalty under this section. Any person constructing or repairing
227 such cruise vessels or vessels within a municipality shall comply
228 with all municipal ordinances protecting the general health or
229 safety of the residents of the municipality.

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

232 97-33-9. Except as otherwise provided in Section 97-33-8, if
233 any person shall be guilty of selling cards, tokens, chips or
234 other items described in Section 1 of this act, keeping or
235 exhibiting any game or gaming table commonly called A.B.C. or E.O.
236 roulette or rowley-powley, or rouge et noir, roredo, keno, monte,
237 or any faro-bank, or other game, gaming table, or bank of the same
238 or like kind or any other kind or description under any other name
239 whatever, or shall be in any manner either directly or indirectly
240 interested or concerned in any gaming tables, banks, or games,
241 either by furnishing money or articles for the purpose of carrying
242 on the same, being interested in the loss or gain of said table,
243 bank or games, or employed in any manner in conducting, carrying
244 on, or exhibiting said gaming tables, games, or banks, every
245 person so offending and being thereof convicted, shall be fined
246 not less than Twenty-five Dollars (\$25.00) nor more than Two
247 Thousand Dollars (\$2,000.00), or be imprisoned in the county jail
248 not longer than two (2) months, or by both such fine and
249 imprisonment, in the discretion of the court. Nothing in this



250 section shall apply to any person who owns, possesses, controls,
251 installs, procures, repairs or transports any gambling device,
252 machine or equipment in accordance with subsection (4) of Section
253 97-33-7 or Section 75-76-34.

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

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

258 (a) "Applicant" means any person who has applied for or
259 is about to apply for a state gaming license, registration or
260 finding of suitability under the provisions of this chapter or
261 approval of any act or transaction for which approval is required
262 or permitted under the provisions of this chapter.

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

269 (c) "Associated equipment" means any equipment or
270 mechanical, electromechanical or electronic contrivance, component
271 or machine used remotely or directly in connection with gaming or
272 with any game, race book or sports pool that would not otherwise
273 be classified as a gaming device, including dice, playing cards,
274 links which connect to progressive slot machines, equipment which



275 affects the proper reporting of gross revenue, computerized
276 systems of betting at a race book or sports pool, computerized
277 systems for monitoring slot machines, and devices for weighing or
278 counting money.

279 (d) "Chairman" means the Chairman of the Mississippi
280 Gaming Commission except when used in the term "Chairman of the
281 State Tax Commission." "Chairman of the State Tax Commission" or
282 "commissioner" means the Commissioner of Revenue of the Department
283 of Revenue.

284 (e) "Commission" or "Mississippi Gaming Commission"
285 means the Mississippi Gaming Commission.

286 (f) "Commission member" means a member of the
287 Mississippi Gaming Commission.

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

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

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

297 (j) "Executive director" means the Executive Director
298 of the Mississippi Gaming Commission.



299 (k) Except as otherwise provided by law, "game," or
300 "gambling game" means any banking or percentage game played with
301 cards, with dice or with any mechanical, electromechanical or
302 electronic device or machine for money, property, checks, credit
303 or any representative of value, including, without limiting, the
304 generality of the foregoing, faro, monte, roulette, keno, fan-tan,
305 twenty-one, blackjack, seven-and-a-half, big injun, klondike,
306 craps, poker, chuck-a-luck (dai shu), wheel of fortune, chemin de
307 fer, baccarat, pai gow, beat the banker, panguingui, slot machine,
308 or any other game or device approved by the commission. However,
309 "game" or "gambling game" shall not include (i) bingo games or
310 raffles which are held pursuant to the provisions of Section
311 97-33-51, * * * (ii) the illegal gambling activities described in
312 Section 97-33-8 or (iii) the sale of items such as cards, tokens,
313 chips or similar items in a manner that is prohibited by Section 1
314 of this act.

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

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

321 (m) "Gaming device" means any mechanical,
322 electromechanical or electronic contrivance, component or machine
323 used in connection with gaming or any game which affects the



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

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

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



349 (xiv) Supervisors or managers; and

350 (xv) Ticket writers.

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

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

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

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

366 (i) Cash received as winnings;

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

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

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



374 The term does not include:

375 (i) Counterfeit money or tokens;

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

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

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

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

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

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

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

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

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



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

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

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

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

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

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

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

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



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

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

427 (ii) A declaratory ruling;

428 (iii) An interagency memorandum;

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

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

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

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



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

450 (hh) "State Tax Commission" or "department" means the
451 Department of Revenue of the State of Mississippi.

452 (ii) "Temporary work permit" means a work permit which
453 is valid only for a period not to exceed ninety (90) days from its
454 date of issue and which is not renewable.

455 (jj) "Vessel" or "cruise vessel" shall have the
456 meanings ascribed to such terms under Section 27-109-1.

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

463 (ll) "School or training institution" means any school
464 or training institution which is licensed by the commission to
465 teach or train gaming employees pursuant to Section 75-76-34.

466 (mm) "Cheat" means to alter the selection of criteria
467 that determine:

468 (i) The rules of a game; or

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



470 (nn) "Promotional activity" means an activity or event
471 conducted or held for the purpose of promoting or marketing the
472 individual licensed gaming establishment that is engaging in the
473 promotional activity. The term includes, but is not limited to, a
474 game of any kind other than as defined in paragraph (k) of this
475 section, a tournament, a contest, a drawing, or a promotion of any
476 kind.

477 **SECTION 7.** Section 97-33-8, Mississippi Code of 1972, is
478 amended as follows:

479 97-33-8. (1) The provisions of this section are intended to
480 clarify that the operation of "Internet sweepstakes cafes" is an
481 illegal gambling activity under state law.

482 (2) It shall be unlawful for any person or entity to
483 possess, own, control, display, operate or have a financial
484 interest in an electronic video monitor that:

485 (a) (i) Is offered or made available to a person to
486 play or participate in a simulated gambling program in return for
487 direct or indirect consideration, including consideration
488 associated with a product, service or activity other than the
489 simulated gambling program; and

490 (* * * ii) The person who plays or participates in
491 the simulated gambling program may become eligible to win, redeem
492 or otherwise obtain a cash or cash-equivalent prize, whether or
493 not the eligibility for or value of the prize is determined by or
494 has any relationship to the outcome or play of the program.



495 (b) Sell cards, tokens, chips or similar items that
496 entitle a person to prepaid long distance or cellular telephone
497 service or telephone calling time, or other products or services
498 unrelated to a simulated gambling program, and that are attached
499 to, accompanied by or part of a scratch pad, bar code or similar
500 item that the person may use to win, redeem or otherwise obtain
501 anything of value greater than the amount paid for the card,
502 token, chip or other item.

503 (3) As used in this section, the following words and phrases
504 shall have the meanings ascribed in this subsection, unless the
505 context clearly indicates otherwise:

506 (a) "Simulated gambling program" means any method
507 intended to be used by a person playing, participating or
508 interacting with an electronic video monitor that is offered by
509 another person or entity; that directly or indirectly implements
510 the predetermination of a cash or cash-equivalent prize, or
511 otherwise connects the player with the cash or cash-equivalent
512 prize; and that is not legal under the Mississippi Gaming Control
513 Act.

514 (b) "Consideration associated with a product, service
515 or activity other than the simulated gambling program" means money
516 or other value collected for a product, service or activity that
517 is offered in any direct or indirect relationship to playing or
518 participating in the simulated gambling program. The term



519 includes consideration paid for Internet access or computer time,
520 or a sweepstakes entry.

521 (c) "Electronic video monitor" means any unit,
522 mechanism, computer or other terminal, or device that is capable
523 of displaying moving or still images.

524 (4) Any person or entity violating the provisions of this
525 section, upon conviction, shall be guilty of a misdemeanor and
526 fined not more than One Thousand Dollars (\$1,000.00) or imprisoned
527 for not less than one (1) year, or both.

528 (5) The provisions of this section shall not apply to:

529 (a) Any lawful activity that is conducted for the
530 primary purpose of entertaining children under the age of eighteen
531 (18) years, during which money is paid for a token or chip that is
532 used to play an electronic or other game, with the winner of the
533 game earning tickets that can be exchanged for prizes;

534 (b) Any lawful marketing promotion, contest, prize or
535 sweepstakes that is designed to attract consumer attention to a
536 specific product or service which is offered for sale by the
537 manufacturer, distributor, vendor or retailer of the product or
538 service; or

539 (c) Any promotional activity as defined in Section
540 75-76-5 that is conducted by a gaming licensee.

541 **SECTION 8.** Section 1 of this act shall be codified as a
542 separate code section in Chapter 33, Title 97, Mississippi Code of



543 1972. Section 2 of this act shall be codified as a separate code
544 section in Chapter 76, Title 75, Mississippi Code of 1972.

545 **SECTION 9.** This act shall take effect and be in force from
546 and after July 1, 2018.

