

By: Representative Baker

To: Judiciary A

HOUSE BILL NO. 705

1 AN ACT TO PROVIDE THAT IT IS UNLAWFUL TO KNOWINGLY CREATE,
 2 DESIGN, MANUFACTURE, SELL, PURCHASE, LEASE, INSTALL, UPDATE,
 3 REPAIR, SERVICE, TRANSFER, USE, OR POSSESS OR OTHERWISE MAKE
 4 AVAILABLE AUTOMATED SALES SUPPRESSION DEVICES OR OTHER DEVICES OR
 5 PROGRAMS THAT CAN BE USED TO FALSIFY OR MANIPULATE CASH REGISTERS
 6 AND OTHER FORMS OF POINT-OF-SALE SYSTEMS AND RECORDS; TO DEFINE
 7 CERTAIN TERMS FOR THE PURPOSES OF THIS ACT; TO PROVIDE PENALTIES
 8 FOR VIOLATIONS OF THIS ACT; AND FOR RELATED PURPOSES.

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

10 **SECTION 1.** (1) As used in this section, the following words
 11 and phrases shall have the meanings ascribed herein unless the
 12 context clearly indicates otherwise:

13 (a) "Automated sales suppression device" or "zapper"
 14 means a software program carried on a memory stick or other flash
 15 memory data storage device, or on a removable optical disc or
 16 accessed through an Internet link, or by any other means, that
 17 falsifies the electronic records of electronic cash registers and
 18 other point-of-sale systems, including, but not limited to,
 19 transaction data and transaction reports.

20 (b) "Electronic cash register" means a device that
 21 keeps an electronic record, register, or supporting documentation,



22 through the use of an electronic device or computer system, of
23 data for the purpose of computing, compiling, or processing retail
24 sales transaction data, and includes a cash register or any other
25 point-of-sale system.

26 (c) "Phantom-ware" means a hidden or concealed
27 programming option embedded in the operating system of, or
28 hardwired into, an electronic cash register that can be used to
29 create a second or alternate set of records or to eliminate or
30 manipulate transaction records, which may or may not be preserved
31 in digital format, to represent either the actual or the
32 manipulated record of transactions.

33 (d) "Transaction data" means data relating to a
34 transaction which includes, but is not limited to, data
35 identifying each item purchased by a customer; the price for each
36 item; a taxability determination for each item; a segregated tax
37 amount for each of the taxed items; the amount of cash or credit
38 tendered; the net amount returned to a customer in change; the
39 date and time of a purchase; the name, address and identification
40 number of a vendor; and the receipt or invoice number of a
41 transaction.

42 (e) "Transaction report" means:

43 (i) A report that contains, but is not limited to,
44 documentation of the sales, taxes, or fees collected, media
45 totals, and discount voids of an electronic cash register and that



46 is printed on cash register tape or other hard copy at the end of
47 a day or shift;

48 (ii) A report that documents every action
49 performed on or by an electronic cash register and that is stored
50 electronically, and/or

51 (iii) Any variation of reports described in
52 subparagraphs (i) and (ii) of this paragraph (e).

53 (2) It shall be unlawful for any person to knowingly create,
54 design, manufacture, sell, purchase, lease, install, update,
55 repair, service, transfer, use, or possess or otherwise make
56 available any automated sales suppression device, zapper, or
57 phantom-ware.

58 (3) Any person who violates the provisions of this section
59 shall be guilty of a felony and, upon conviction thereof, shall be
60 fined not more than One Hundred Thousand Dollars (\$100,000.00) or
61 imprisoned for not more than five (5) years, or both.

62 (4) An automated sales suppression device, zapper or
63 phantom-ware and any device containing such device or software
64 shall be contraband and shall be forfeited to the state.

65 **SECTION 2.** This act shall take effect and be in force from
66 and after July 1, 2018.

