MISSISSIPPI LEGISLATURE REGULAR SESSION 2018

By: Senator(s) Watson To: Finance

SENATE BILL NO. 2162

AN ACT TO AMEND SECTION 75-76-67, MISSISSIPPI CODE OF 1972, TO REVISE THE LEVEL OF SCRUTINY BY THE MISSISSIPPI GAMING COMMISSION FOR CERTAIN UNVERIFIED INVESTORS IN A CASINO; AND FOR RELATED PURPOSES.

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

SECTION 1. Section 75-76-67, Mississippi Code of 1972, is amended as follows:

75-76-67. (1) Any person who the commission determines is qualified to receive a license or be found suitable under the provisions of this chapter, having due consideration for the proper protection of the health, safety, morals, good order and general welfare of the inhabitants of the State of Mississippi and the declared policy of this state, may be issued a state gaming license or found suitable. The burden of proving his qualification to receive any license or be found suitable is on the applicant.

(2) An application to receive a license or be found suitable shall not be granted unless the commission is satisfied that the applicant is:

(a) A person of good character, honesty and integrity;

(b) A person whose prior activities, criminal record, if any, reputation, habits and associations do not pose a threat to the public interest of this state or to the effective regulation and control of gaming, or create or enhance the dangers of unsuitable, unfair or illegal practices, methods and activities in the conduct of gaming or the carrying on of the business and financial arrangements incidental thereto; and

(c) In all other respects qualified to be licensed or found suitable consistent with the declared laws of the state.

(3) No person shall be granted a license or found suitable under the provisions of this chapter who has been convicted of a felony in any court of this state, another state, or the United States; and no person shall be granted a license or found suitable hereunder who has been convicted of a crime in any court of another state or the United States which, if committed in this state, would be a felony; and no person shall be granted a license or found suitable under the provisions of this chapter who has been convicted of a misdemeanor in any court of this state or of another state, when such conviction was for gambling, sale of alcoholic beverages to minors, prostitution, or procuring or inducing individuals to engage in prostitution.

(4) A license to operate a gaming establishment shall not be granted unless the applicant has satisfied the commission that:

(a) He has adequate business probity, competence and experience, in gaming or generally; and

(b) The proposed financing of the entire operation is:

(i) Adequate for the nature of the proposed operation; and

(ii) From a suitable source. Any lender or other source of money or credit which the commission finds does not meet the standards set forth in subsection (2) may be deemed unsuitable. The investments of similarly situated investors bringing in money from unverified sources shall be aggregated for the purpose of satisfying any regulatory monetary thresholds. Investors who are not citizens shall receive a greater level of scrutiny.

(5) An application to receive a license or be found suitable constitutes a request for a determination of the applicant's general character, integrity and ability to participate or engage in, or be associated with gaming. Any written or oral statement made in the course of an official proceeding of the commission or the executive director or any witness testifying under oath which is relevant to the purpose of the proceeding is absolutely privileged and does not impose liability for defamation or constitute a ground for recovery in any civil action.

(6) The commission may, in its discretion, grant a license to a corporation which has complied with the provisions of this chapter.

(7) The commission may, in its discretion, grant a license to a limited partnership which has complied with the provisions of this chapter.

(8) No limited partnership, except one whose sole limited partner is a publicly traded corporation which has registered with the commission, or business trust or organization or other association of a quasi-corporate character is eligible to receive or hold any license under this chapter unless all persons having any direct or indirect interest therein of any nature whatsoever, whether financial, administrative, policymaking or supervisory, are individually qualified to be licensed under the provisions of this chapter.

(9) The commission may, by regulation, limit the number of persons who may be financially interested and the nature of their interest in any corporation or other organization or association licensed under this chapter, and may establish such other qualifications of licenses as the commission, in its discretion, deems to be in the public interest and consistent with the declared policy of the state.

SECTION 2. This act shall take effect and be in force from and after its passage.

ST: Gaming commission; certain investors consider in the aggregate to satisfy scrutiny thresholds.