

By: Representatives Clarke,
Holland, Hines, Johnson (94th)

To: Gaming

HOUSE BILL NO. 2

1 AN ACT TO ESTABLISH A STATE LOTTERY TO BE KNOWN AS THE
 2 "MISSISSIPPI LOTTERY FOR EDUCATION," A STATE LOTTERY TO BE
 3 ADMINISTERED BY THE MISSISSIPPI GAMING COMMISSION; TO PROVIDE THE
 4 POWERS AND DUTIES OF THE MISSISSIPPI GAMING COMMISSION REGARDING
 5 THE ADMINISTRATION OF THE STATE LOTTERY; TO PROVIDE THAT THE
 6 PURPOSE OF THE LOTTERY IS TO FUND THE MISSISSIPPI HOPE SCHOLARSHIP
 7 PROGRAM; TO CREATE THE MISSISSIPPI HOPE SCHOLARSHIP TRUST FUND; TO
 8 PROVIDE FOR THE ALLOCATION OF THE PROCEEDS COLLECTED FROM THE SALE
 9 OF LOTTERY TICKETS IN THE STATE, AFTER DEDUCTING CERTAIN
 10 ADMINISTRATIVE AND PRIZE EXPENSES; TO REQUIRE FORTY-FIVE PERCENT
 11 OF THE PROCEEDS COLLECTED FROM THE SALE OF LOTTERY TICKETS IN THE
 12 STATE TO BE ALLOCATED AS PRIZE MONEY; TO REQUIRE A PERCENTAGE OF
 13 THE PROCEEDS FROM THE SALE OF LOTTERY TICKETS WITHIN A COUNTY TO
 14 BE DISTRIBUTED TO THAT COUNTY; TO REQUIRE THE REMAINDER OF THE NET
 15 PROCEEDS TO BE DEPOSITED INTO THE MISSISSIPPI HOPE SCHOLARSHIP
 16 TRUST FUND; TO AMEND SECTIONS 37-106-5, 67-1-71, 75-76-3, 75-76-5,
 17 97-33-9, 97-33-11, 97-33-13, 97-33-21, 97-33-23, 97-33-31,
 18 97-33-33, 97-33-35, 97-33-37, 97-33-39, 97-33-41, 97-33-43,
 19 97-33-45, 97-33-47 AND 97-33-49, MISSISSIPPI CODE OF 1972, IN
 20 CONFORMITY TO THE PROVISIONS OF THIS ACT; AND FOR RELATED
 21 PURPOSES.

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

23 **SECTION 1.** As used in this act, the following words and
 24 phrases have the meanings ascribed in this section unless the
 25 context clearly indicates otherwise:

26 (a) "Commission" means the Mississippi Gaming
 27 Commission.



28 (b) "Distributor" means any person authorized by the
29 Mississippi Gaming Commission to distribute lottery tickets to
30 retailers. A person possessing a gaming license issued under
31 Chapter 76, Title 75, Mississippi Code of 1972, may be a
32 distributor if located in a county in which legal gaming has been
33 approved.

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

36 (i) The player or players pay or agree to pay
37 something of value for chances, represented and differentiated by
38 tickets, slips of paper or other physical and tangible
39 documentation upon which appear numbers, symbols, characters or
40 other distinctive marks used to identify and designate the winner
41 or winners;

42 (ii) The winning chance or chances are to be
43 determined by a drawing or similar selection method based
44 predominately upon the element of chance or random selection
45 rather than upon the skill or judgment of the player or players;

46 (iii) The holder or holders of the winning chance
47 or chances are to receive a prize or something of valuable
48 consideration; and

49 (iv) The activity is conducted and participated in
50 without regard to geographical location, with the player or
51 players not being required to be present upon any particular



52 premises or at any particular location in order to participate or
53 to win.

54 (d) "Person" means any association, corporation, firm,
55 partnership, trust or other form of business association as well
56 as a natural person.

57 (e) "Retailer" means any person authorized by the
58 Mississippi Gaming Commission to sell lottery tickets to the
59 public. A person possessing a gaming license issued under Chapter
60 76, Title 75, Mississippi Code of 1972, may be a retailer if
61 located in a county in which legal gaming has been approved.

62 **SECTION 2.** (1) There is created a state lottery to be known
63 as the "Mississippi Lottery for Education," to be administered by
64 the Mississippi Gaming Commission. The commission shall:

65 (a) Prescribe the method and form of application which
66 an applicant for a distributor's license or retailer's license, or
67 both, must follow and complete before consideration of his
68 application by the commission;

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

71 (c) Require an applicant to pay all or any part of the
72 fees and costs of investigation of such applicant as may be
73 determined by the commission, except that no applicant for an
74 initial license shall be required to pay any part of the fees or
75 costs of the investigation of the applicant with regard to the
76 initial license;



77 (d) Prescribe the manner and method of collection and
78 payment of fees and issuance of licenses;

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

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

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

84 (ii) The sale price of tickets;

85 (iii) The number and amount of prizes;

86 (iv) The method and location of selecting or
87 validating winning tickets;

88 (v) The frequency and means of conducting drawings
89 which must be open to the public;

90 (vi) The manner of payment of prizes;

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

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

94 (g) Enter into contracts with distributors for the
95 distribution of lottery tickets to retailers; and

96 (h) Take any action necessary for the implementation
97 and administration of this section and promulgate rules and
98 regulations necessary for its implementation and administration.

99 (2) No ticket may be sold knowingly to any person under the
100 age of eighteen (18) years, but this subsection (2) does not
101 prohibit the purchase of a ticket by a person eighteen (18) years



102 of age or older for the purpose of making a gift to any person of
103 any age. In such case, the commission shall direct payment to an
104 adult member of the person's family or the legal guardian of the
105 person on behalf of such person.

106 (3) The proceeds received from the actual sale of lottery
107 tickets, less a reasonable percentage in an amount as determined
108 by the commission up to a maximum amount of one-half of one
109 percent (0.5%) to be retained by a retailer selling a ticket, must
110 be remitted to the commission on a monthly basis. The commission
111 shall deposit the proceeds into the State Treasury on the day
112 collected. At the end of each month, the commission shall certify
113 the total proceeds collected from the sale of lottery tickets to
114 the State Treasurer, who shall distribute such collections as
115 follows:

116 (a) As nearly as practicable, forty-five percent (45%)
117 of the proceeds collected during the preceding month from the sale
118 of lottery tickets in the state must be allocated as prize money,
119 to be distributed by the commission, provided that this provision
120 does not create any lien, entitlement, cause of action, or other
121 private right, and any rights of holders of lottery tickets shall
122 be determined by the commission in administering the lottery;

123 (b) A reasonable percentage, in an amount as determined
124 by the commission up to a maximum amount of one-half of one
125 percent (0.5%), of the proceeds collected during the preceding
126 month from the sale of lottery tickets in the state, must be



127 allocated for distribution to the commission and paid to the
128 commission to defray the costs of administering the provisions of
129 this section;

130 (c) Four percent (4%) of the proceeds collected during
131 the preceding month from the sale of lottery tickets within a
132 county must be allocated for distribution to that county and paid
133 to that county; and

134 (d) The remainder of the proceeds collected during the
135 preceding month from the sale of lottery tickets in the state must
136 be deposited into the Mississippi Hope Scholarship Trust Fund
137 created in Section 3 of this act.

138 **SECTION 3.** (1) There is created in the State Treasury a
139 special fund to be designated as the "Mississippi Hope Scholarship
140 Trust Fund," into which must be deposited the funds as provided in
141 Section 2(3)(d) of this act. All investment earnings or interest
142 earned on amounts in the fund must be deposited to the credit of
143 the fund. Amounts remaining in the fund at the end of a fiscal
144 year may not lapse into the State General Fund.

145 The trust fund must remain inviolate and may not be expended,
146 except as provided in this section. Beginning in fiscal year 2019
147 and in each subsequent fiscal year, the Legislature may
148 appropriate from the trust fund an amount not greater than the
149 aggregate investment earnings and interest earned during the
150 preceding fiscal year on amounts in the fund. This appropriation
151 will be for the exclusive purpose of providing funds for the



152 purposes described in subsection (2) of this section, but may not
153 be considered to be the only source for providing funds for those
154 purposes.

155 (2) The special fund will be administered by the Mississippi
156 Postsecondary Education Financial Assistance Board established
157 under Section 37-106-9. For purposes of this section, "eligible
158 institution" means any state institution of higher learning or
159 public community or junior college or any regionally accredited,
160 state-approved, nonprofit four-year or two-year college or
161 university located in the State of Mississippi, as listed in
162 Section 37-106-29(4). The board shall set the date that will
163 serve as the deadline for applying for a scholarship award under
164 subsections (2) through (5) of this section. The board shall
165 award Hope scholarships to each Mississippi student who enrolls as
166 a student for the first time at an eligible institution in
167 Mississippi, and who:

168 (a) (i) Has earned, after seven (7) semester hours, a
169 minimum cumulative grade point average of 3.0 calculated on a 4.0
170 scale in high school subjects acceptable for credit toward a
171 diploma, as certified by the high school principal or other
172 authorized school official on the application;

173 (ii) Has completed a home study program meeting
174 state law requirements in lieu of graduating from high school, and
175 has earned a cumulative grade point average of 3.0 in an eligible
176 institution as described in this subsection (2) at the end of the



177 student's first quarter, trimester or semester, at which time the
178 student will be eligible to receive a retroactive Hope
179 scholarship; or

180 (iii) Has received the general educational
181 development (GED) diploma awarded by the Mississippi Department of
182 Education, and has earned a cumulative grade point average of 3.0
183 in an eligible institution as described in this subsection (2) at
184 the end of the student's first quarter, trimester or semester, at
185 which time the student will be eligible to receive a retroactive
186 Hope scholarship;

187 (b) Is enrolled, on a full-time basis, at an eligible
188 institution;

189 (c) Is a resident of the State of Mississippi and a
190 United States citizen;

191 (d) Has complied with the United States Selective
192 Service System requirements for registration, if such requirements
193 are applicable to the student;

194 (e) Is not in default on a federal or state educational
195 loan, or does not owe a refund on a federal student financial aid
196 program or a state student financial aid program;

197 (f) Has not been convicted of a felony offense
198 involving marijuana or a controlled substance; and

199 (g) Is not incarcerated.

200 (3) The annual scholarship award to a student will be the
201 total cost of the student's tuition for the calendar year,



202 excluding nontuition fees and costs of books and other supplies.
203 Payment of the award must be made payable to the recipient and the
204 educational institution and mailed directly to the institution.

205 (4) A recipient shall maintain the equivalent of a 3.0
206 cumulative grade point average on a 4.0 scale, on at least twelve
207 (12) hours per quarter, trimester or semester in order to be
208 eligible for a continuation of the award. No student may receive
209 an award for more than the equivalent quarters, trimesters or
210 semesters required to complete one (1) degree per institution.
211 The award may be renewed annually upon certification of
212 eligibility by an eligible institution that the recipient meets
213 the necessary qualifications. If any recipient transfers from one
214 (1) eligible college to another, his award will be transferred
215 provided he is eligible for the award. If a student fails to
216 maintain continuous enrollment, he is ineligible to receive the
217 award during the following quarter, trimester or semester of the
218 regular academic year.

219 (5) The board may conduct annual audits of any college
220 participating in the program described in subsections (2) through
221 (5) of this section. The board may suspend or revoke an
222 institution's eligibility to receive future monies under the
223 program if it finds that the institution has not complied with the
224 provisions of subsections (2) through (5) of this section.

225 **SECTION 4.** Section 37-106-5, Mississippi Code of 1972, is
226 amended as follows:



227 37-106-5. (1) For purposes of this chapter, the following
228 words shall be defined as follows unless the context requires
229 otherwise:

230 (a) "Eligible applicant or eligible student" means an
231 individual who completes an application by the published
232 application deadline for a given student financial assistance
233 program, meets all initial or continuing eligibility requirements
234 for the program and enrolls in an approved institution for the
235 given program.

236 (b) "Approved institution" means an institution of
237 higher learning, public or private, which is accredited by the
238 Southern Association of Colleges and Secondary Schools, or its
239 equivalent or a business, vocational, technical or other
240 specialized school recognized and approved by the Postsecondary
241 Education Financial Assistance Board.

242 (c) "Board" means the Postsecondary Education Financial
243 Assistance Board created by Section 37-106-9 authorized and
244 empowered to administer the provisions of this chapter.

245 (d) "Financial need" means anticipated expenses of an
246 eligible student while attending an approved institution which
247 cannot reasonably be met by said student or by the parents thereof
248 as shall be determined according to the criteria established by
249 the rules and regulations of the board. Financial need shall be
250 reevaluated and redetermined at least annually.



251 (e) "Agency" means the Board of Trustees of State
252 Institutions of Higher Learning.

253 (f) "Renewal applicant or renewal student" means a
254 student who previously received funding for a given program.

255 (g) "Resident," "resident status" or "residency" shall
256 be defined and determined in the same manner as resident status
257 for tuition purposes as set forth in Sections 37-103-1 through
258 37-103-29, with the exception of Section 37-103-17. Unless
259 excepted by the rules of a given program, an applicant must be a
260 Mississippi resident to qualify for financial assistance under
261 this chapter.

262 (h) "Dependent" shall be defined and used in the same
263 manner as the term "minor" in Sections 37-103-1 through 37-103-29.
264 The board will follow the federal guidelines for classifying a
265 student as "dependent" or "independent."

266 (i) "Fund" means the Mississippi Hope Scholarship Trust
267 Fund created in Section 3 of this act.

268 **SECTION 5.** Section 67-1-71, Mississippi Code of 1972, is
269 amended as follows:

270 67-1-71. The department may revoke or suspend any permit
271 issued by it for a violation by the permittee of any of the
272 provisions of this chapter or of the regulations promulgated under
273 it by the department.

274 Permits must be revoked or suspended for the following
275 causes:



- 276 (a) Conviction of the permittee for the violation of
277 any of the provisions of this chapter;
- 278 (b) Willful failure or refusal by any permittee to
279 comply with any of the provisions of this chapter or of any rule
280 or regulation adopted pursuant thereto;
- 281 (c) The making of any materially false statement in any
282 application for a permit;
- 283 (d) Conviction of one or more of the clerks, agents or
284 employees of the permittee, of any violation of this chapter upon
285 the premises covered by such permit within a period of time as
286 designated by the rules or regulations of the department;
- 287 (e) The possession on the premises of any retail
288 permittee of any alcoholic beverages upon which the tax has not
289 been paid;
- 290 (f) The willful failure of any permittee to keep the
291 records or make the reports required by this chapter, or to allow
292 an inspection of such records by any duly authorized person;
- 293 (g) The suspension or revocation of a permit issued to
294 the permittee by the federal government, or conviction of
295 violating any federal law relating to alcoholic beverages;
- 296 (h) The failure to furnish any bond required by Section
297 27-71-21 within fifteen (15) days after notice from the
298 department; and
- 299 (i) The conducting of any form of illegal gambling on
300 the premises of any permittee or on any premises connected



301 therewith or the presence on any such premises of any gambling
302 device with the knowledge of the permittee.

303 The provisions of this paragraph (i) of this section shall
304 not apply to * * *: the conducting of legal gaming by a person
305 having a gaming license issued under Chapter 76, Title 75,
306 Mississippi Code of 1972, or the operation of the lottery
307 authorized by Section 2 of this act. The department may, in its
308 discretion, issue on-premises retailer's permits to a common
309 carrier of the nature described in this paragraph.

310 No permit shall be suspended or revoked until after the
311 permittee has been provided reasonable notice of the charges
312 against him for which suspension or revocation is sought and the
313 opportunity to a hearing before the Board of Tax Appeals to
314 contest such charges and the suspension or revocation proposed.
315 Opportunity to a hearing is provided without an actual hearing if
316 the permittee, after receiving reasonable notice, including notice
317 of his right to a hearing, fails to timely request a hearing. The
318 permittee may also at any time waive his rights to reasonable
319 notice and/or to the opportunity to a hearing by agreeing to a
320 suspension or revocation offered by the department.

321 Notwithstanding the requirement above that a permit may not be
322 suspended without notice and opportunity to a hearing, sales of
323 alcoholic beverages by a permittee under a permit for which the
324 bond under Section 27-71-21 has been cancelled shall be suspended
325 from and after issuance of the notice provided in subsection (h)



326 above and shall continue to be suspended until the bond is
327 reinstated, a new bond is posted or sufficient cash or securities
328 as provided under Section 27-71-21 are deposited with the State
329 Treasurer for this permit.

330 In addition to the causes specified in this section and other
331 provisions of this chapter, the department shall be authorized to
332 suspend the permit of any permit holder for being out of
333 compliance with an order for support, as defined in Section
334 93-11-153. The procedure for suspension of a permit for being out
335 of compliance with an order for support, and the procedure for the
336 reissuance or reinstatement of a permit suspended for that
337 purpose, and the payment of any fees for the reissuance or
338 reinstatement of a permit suspended for that purpose, shall be
339 governed by Section 93-11-157 or 93-11-163, as the case may be.
340 If there is any conflict between any provision of Section
341 93-11-157 or 93-11-163 and any provision of this chapter, the
342 provisions of Section 93-11-157 or 93-11-163, as the case may be,
343 shall control.

344 **SECTION 6.** Section 75-76-3, Mississippi Code of 1972, is
345 amended as follows:

346 75-76-3. (1) The provisions of this chapter shall not be
347 construed to legalize any form of gaming which is prohibited under
348 the Mississippi Constitution or the laws of this state. All legal
349 gaming which is conducted in this state and which is otherwise
350 authorized by law shall be regulated and licensed pursuant to the



351 provisions of this chapter, unless the Legislature specifically
352 provides otherwise. Nothing in this chapter shall be construed as
353 encouraging the legalization of gambling in this state.

354 (2) The Legislature hereby finds and declares that lotteries
355 and gaming both consist of the material element of chance. The
356 Legislature is * * * permitted by virtue of its inherent powers to
357 legislate upon lotteries and gaming as the occasion arises. The
358 Legislature derives its power to legislate upon lotteries and
359 gaming or gambling devices from its inherent authority over the
360 morals and policy of the people * * *.

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

363 (a) Regulation of licensed lotteries and gaming is
364 important in order that * * * those activities are conducted
365 honestly and competitively, that the rights of the creditors of
366 licensees are protected and that * * * those activities are free
367 from criminal and corruptive elements.

368 (b) Public confidence and trust can only be maintained
369 by strict regulation of all persons, locations, practices,
370 associations and activities related to the operation of lotteries
371 and licensed gaming establishments and the manufacture or
372 distribution of gambling devices and equipment.

373 (c) All establishments where lotteries or gaming * * *,
374 or both, are conducted and * * * manufacturers, sellers and
375 distributors of certain * * * lottery and gaming devices and



376 equipment must therefore be licensed, controlled and assisted to
377 protect the public health, safety, morals, good order and general
378 welfare of the inhabitants of the state.

379 (4) It is the intent of the Legislature that gaming
380 licensees and any entity authorized to conduct a lottery, to the
381 extent practicable, shall employ residents of Mississippi as * * *
382 employees * * * in the operation of their * * * establishments
383 located in this state.

384 (5) No applicant for a license or other affirmative
385 commission approval has any right to a license or the granting of
386 the approval sought. Any license issued or other commission
387 approval granted pursuant to the provisions of this chapter is a
388 revocable privilege, and no holder acquires any vested right
389 therein or thereunder.

390 * * *

391 **SECTION 7.** Section 75-76-5, Mississippi Code of 1972, is
392 amended as follows:

393 75-76-5. As used in this chapter, unless the context
394 requires otherwise:

395 (a) "Applicant" means any person who has applied for or
396 is about to apply for a state gaming license, registration or
397 finding of suitability under the provisions of this chapter or
398 approval of any act or transaction for which approval is required
399 or permitted under the provisions of this chapter.



400 (b) "Application" means a request for the issuance of a
401 state gaming license, registration or finding of suitability under
402 the provisions of this chapter or for approval of any act or
403 transaction for which approval is required or permitted under the
404 provisions of this chapter but does not include any supplemental
405 forms or information that may be required with the application.

406 (c) "Associated equipment" means any equipment or
407 mechanical, electromechanical or electronic contrivance, component
408 or machine used remotely or directly in connection with gaming or
409 with any game, race book or sports pool that would not otherwise
410 be classified as a gaming device, including dice, playing cards,
411 links which connect to progressive slot machines, equipment which
412 affects the proper reporting of gross revenue, computerized
413 systems of betting at a race book or sports pool, computerized
414 systems for monitoring slot machines, and devices for weighing or
415 counting money.

416 (d) "Chairman" means the Chairman of the Mississippi
417 Gaming Commission except when used in the term "Chairman of the
418 State Tax Commission." "Chairman of the State Tax Commission" or
419 "commissioner" means the Commissioner of Revenue of the Department
420 of Revenue.

421 (e) "Commission" or "Mississippi Gaming Commission"
422 means the Mississippi Gaming Commission.

423 (f) "Commission member" means a member of the
424 Mississippi Gaming Commission.



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

429 (h) "Enforcement division" means a particular division
430 supervised by the executive director that provides enforcement
431 functions.

432 (i) "Establishment" means any premises wherein or
433 whereon any gaming is done.

434 (j) "Executive director" means the Executive Director
435 of the Mississippi Gaming Commission.

436 (k) Except as otherwise provided by law, "game," or
437 "gambling game" means any banking or percentage game played with
438 cards, with dice or with any mechanical, electromechanical or
439 electronic device or machine for money, property, checks, credit
440 or any representative of value, including, without limiting, the
441 generality of the foregoing, faro, monte, roulette, keno, fan-tan,
442 twenty-one, blackjack, seven-and-a-half, big injun, klondike,
443 craps, poker, chuck-a-luck (dai shu), wheel of fortune, chemin de
444 fer, baccarat, pai gow, beat the banker, panguingui, slot machine,
445 or any other game or device approved by the commission. However,
446 "game" or "gambling game" shall not include bingo games or raffles
447 which are held pursuant to the provisions of Section 97-33-51, or
448 the illegal gambling activities described in Section 97-33-8, or
449 the lottery authorized by Section 2 of this act.



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

453 (1) "Gaming" or "gambling" means to deal, operate,
454 carry on, conduct, maintain or expose for play any game as defined
455 in this chapter.

456 (m) "Gaming device" means any mechanical,
457 electromechanical or electronic contrivance, component or machine
458 used in connection with gaming or any game which affects the
459 result of a wager by determining win or loss. The term includes a
460 system for processing information which can alter the normal
461 criteria of random selection, which affects the operation of any
462 game, or which determines the outcome of a game. The term does
463 not include a system or device which affects a game solely by
464 stopping its operation so that the outcome remains undetermined,
465 and does not include any antique coin machine as defined in
466 Section 27-27-12.

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

- 470 (i) Boxmen;
471 (ii) Cashiers;
472 (iii) Change personnel;
473 (iv) Counting room personnel;
474 (v) Dealers;



- 475 (vi) Floormen;
- 476 (vii) Hosts or other persons empowered to extend
477 credit or complimentary services;
- 478 (viii) Keno runners;
- 479 (ix) Keno writers;
- 480 (x) Machine mechanics;
- 481 (xi) Security personnel;
- 482 (xii) Shift or pit bosses;
- 483 (xiii) Shills;
- 484 (xiv) Supervisors or managers; and
- 485 (xv) Ticket writers.

486 The term "gaming employee" also includes employees of
487 manufacturers or distributors of gaming equipment within this
488 state whose duties are directly involved with the manufacture,
489 repair or distribution of gaming equipment.

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

493 (o) "Gaming license" means any license issued by the
494 state which authorizes the person named therein to engage in
495 gaming.

496 (p) "Gross revenue" means the total of all of the
497 following, less the total of all cash paid out as losses to
498 patrons and those amounts paid to purchase annuities to fund



499 losses paid to patrons over several years by independent financial
500 institutions:

501 (i) Cash received as winnings;

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

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

506 For the purposes of this definition, cash or the value of
507 noncash prizes awarded to patrons in a contest or tournament are
508 not losses.

509 The term does not include:

510 (i) Counterfeit money or tokens;

511 (ii) Coins of other countries which are received
512 in gaming devices;

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

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

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

520 (r) "Investigation division" means a particular
521 division supervised by the executive director that provides
522 investigative functions.



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

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

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

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

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

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

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

538 (z) "Party" means the Mississippi Gaming Commission and
539 any licensee or other person appearing of record in any proceeding
540 before the commission; or the Mississippi Gaming Commission and
541 any licensee or other person appearing of record in any proceeding
542 for judicial review of any action, decision or order of the
543 commission.

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



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

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

553 (dd) "Regulation" means a rule, standard, directive or
554 statement of general applicability which effectuates law or policy
555 or which describes the procedure or requirements for practicing
556 before the commission. The term includes a proposed regulation
557 and the amendment or repeal of a prior regulation but does not
558 include:

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

562 (ii) A declaratory ruling;

563 (iii) An interagency memorandum;

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

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

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

570 (ff) "Slot machine" means any mechanical, electrical or
571 other device, contrivance or machine which, upon insertion of a



572 coin, token or similar object, or upon payment of any
573 consideration, is available to play or operate, the play or
574 operation of which, whether by reason of the skill of the operator
575 or application of the element of chance, or both, may deliver or
576 entitle the person playing or operating the machine to receive
577 cash, premiums, merchandise, tokens or anything of value, whether
578 the payoff is made automatically from the machine or in any other
579 manner. The term does not include any antique coin machine as
580 defined in Section 27-27-12.

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

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

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

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

592 (kk) "Work permit" means any card, certificate or
593 permit issued by the commission, whether denominated as a work
594 permit, registration card or otherwise, authorizing the employment
595 of the holder as a gaming employee. A document issued by any



596 governmental authority for any employment other than gaming is not
597 a valid work permit for the purposes of this chapter.

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

601 (mm) "Cheat" means to alter the selection of criteria
602 that determine:

603 (i) The rules of a game; or

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

605 (nn) "Promotional activity" means an activity or event
606 conducted or held for the purpose of promoting or marketing the
607 individual licensed gaming establishment that is engaging in the
608 promotional activity. The term includes, but is not limited to, a
609 game of any kind other than as defined in paragraph (k) of this
610 section, a tournament, a contest, a drawing, or a promotion of any
611 kind.

612 **SECTION 8.** Section 97-33-9, Mississippi Code of 1972, is
613 amended as follows:

614 97-33-9. Except as otherwise provided in Section 97-33-8, if
615 any person shall be guilty of keeping or exhibiting any illegal
616 game or gaming table commonly called A.B.C. or E.O. roulette or
617 rowley-powley, or rouge et noir, roredo, keno, monte, or any
618 faro-bank, or other game, gaming table, or bank of the same or
619 like kind or any other kind or description under any other name
620 whatever, or shall be in any manner either directly or indirectly



621 interested or concerned in any gaming tables, banks, or games,
622 either by furnishing money or articles for the purpose of carrying
623 on the same, being interested in the loss or gain of said table,
624 bank or games, or employed in any manner in conducting, carrying
625 on, or exhibiting said gaming tables, games, or banks, every
626 person so offending and being thereof convicted, shall be fined
627 not less than Twenty-five Dollars (\$25.00) nor more than Two
628 Thousand Dollars (\$2,000.00), or be imprisoned in the county jail
629 not longer than two (2) months, or by both such fine and
630 imprisonment, in the discretion of the court. Nothing in this
631 section shall apply to any person who owns, possesses, controls,
632 installs, procures, repairs or transports any legal gaming or
633 gambling device, machine or equipment in accordance with
634 subsection (4) of Section 97-33-7 or Section 75-76-34 or to the
635 operation of the lottery authorized by Section 2 of this act.

636 **SECTION 9.** Section 97-33-11, Mississippi Code of 1972, is
637 amended as follows:

638 97-33-11. It shall not be lawful for any association of
639 persons of the character commonly known as a "club," whether such
640 association be incorporated or not, in any manner, either directly
641 or indirectly, to have any interest or concern in any gambling
642 tables, banks, or games, by means of what is sometimes called a
643 "rake-off" or "take-out," or by means of an assessment upon
644 certain combinations, or hands at cards, or by means of a
645 percentage extracted from players, or an assessment made upon, or



646 a contribution from them, or by any other means, device or
647 contrivance whatsoever. It shall not be lawful for such an
648 association to lend or advance money or any other valuable thing
649 to any person engaged or about to engage in playing any game of
650 chance prohibited by law, or to become responsible directly or
651 indirectly for any money or other valuable thing lost, or which
652 may be lost, by any player in any such game. If any such
653 association shall violate any of the provisions of this section
654 each and every member thereof shall be guilty of a misdemeanor
655 and, upon conviction thereof, shall be fined in a sum not more
656 than Five Hundred Dollars (\$500.00); and unless such fine and
657 costs be immediately paid, shall be imprisoned in the county jail
658 for not less than five (5) nor more than twenty (20) days. Each
659 grand jury shall cause such of the members of such an association
660 as it may choose to appear before them and submit to examination
661 touching the observance or nonobservance by such association of
662 the provisions hereof.

663 The provisions of this section do not apply to the operation
664 of the lottery authorized by Section 2 of this act.

665 **SECTION 10.** Section 97-33-13, Mississippi Code of 1972, is
666 amended as follows:

667 97-33-13. Any owner, lessee, or occupant of any outhouse or
668 other building, who shall knowingly permit or suffer any of the
669 before mentioned tables, banks, or games, or any other game
670 prohibited by law, to be carried on, kept, or exhibited in his



671 said house or other building, or on his lot or premises, being
672 thereof convicted, shall be fined not less than One Hundred
673 Dollars (\$100.00) nor more than Two Thousand Dollars (\$2,000.00).

674 The provisions of this section do not apply to the operation
675 of the lottery authorized by Section 2 of this act.

676 **SECTION 11.** Section 97-33-21, Mississippi Code of 1972, is
677 amended as follows:

678 97-33-21. Any person of full age who shall bet any money or
679 thing of any value with a minor, or allow a minor to bet at any
680 game or gaming-table exhibited by him, or in which he is
681 interested or in any manner concerned, on conviction thereof,
682 shall be fined not less than Three Hundred Dollars (\$300.00) and
683 imprisoned not less than three (3) months.

684 The provisions of this section do not apply to a minor who
685 receives as a gift a ticket associated with the lottery authorized
686 by Section 2 of this act when the ticket has been purchased by a
687 person who is eighteen (18) years of age or older.

688 **SECTION 12.** Section 97-33-23, Mississippi Code of 1972, is
689 amended as follows:

690 97-33-23. Any person of full age who shall bet any money or
691 thing of value with a minor, knowing such minor to be under the
692 age of twenty-one (21) years, or allowing any such minor to bet at
693 any game or games, or at any gaming table exhibited by him, or in
694 which he is interested or in any manner concerned, on conviction



695 thereof, shall be punished by imprisonment in the Penitentiary not
696 exceeding two (2) years.

697 The provisions of this section do not apply to a minor who
698 receives as a gift a ticket associated with the lottery authorized
699 by Section 2 of this act when the ticket has been purchased by a
700 person who is eighteen (18) years of age or older.

701 **SECTION 13.** Section 97-33-31, Mississippi Code of 1972, is
702 amended as follows:

703 97-33-31. If any person, in order to raise money for himself
704 or another, or for any purpose whatever, shall publicly or
705 privately put up a lottery to be drawn or adventured for, he
706 shall, on conviction, be imprisoned in the Penitentiary not
707 exceeding five (5) years.

708 The provisions of this section do not apply to the operation
709 of the lottery authorized by Section 2 of this act.

710 **SECTION 14.** Section 97-33-33, Mississippi Code of 1972, is
711 amended as follows:

712 97-33-33. If any person shall in any way advertise any
713 lottery whatever, no matter where located, or shall knowingly have
714 in his possession any posters or other lottery advertisements of
715 any kind * * *, save a regularly issued newspaper containing such
716 an advertisement without intent to circulate the same as an
717 advertisement * * *, he shall, on conviction, be fined not less
718 than Twenty-five Dollars (\$25.00) nor more than One Hundred



719 Dollars (\$100.00), or be imprisoned in the county jail not
720 exceeding three (3) months, or both.

721 The provisions of this section do not apply to the operation
722 of the lottery authorized by Section 2 of this act.

723 **SECTION 15.** Section 97-33-35, Mississippi Code of 1972, is
724 amended as follows:

725 97-33-35. If any newspaper published or circulated in this
726 state shall contain an advertisement of any lottery whatever, or
727 any matter intended to advertise a lottery, no matter where
728 located, the editor or editors, publisher or publishers, and the
729 owner or owners thereof permitting the same, shall be guilty of a
730 misdemeanor and, on conviction, shall be fined not less than One
731 Hundred Dollars (\$100.00) nor more than One Thousand Dollars
732 (\$1,000.00), and be imprisoned in the county jail not less than
733 ten (10) days nor more than three (3) months, for each offense.
734 The issuance of each separate daily or weekly edition of the
735 newspaper that shall contain such an advertisement shall be
736 considered a separate offense.

737 The provisions of this section do not apply to the operation
738 of the lottery authorized by Section 2 of this act.

739 **SECTION 16.** Section 97-33-37, Mississippi Code of 1972, is
740 amended as follows:

741 97-33-37. If any newsdealer or other person shall, directly
742 or indirectly, sell or offer for sale any newspaper or other
743 publication containing a lottery advertisement, he shall be guilty



744 of a misdemeanor and, upon conviction, shall be fined not less
745 than Ten Dollars (\$10.00) or imprisoned not less than ten (10)
746 days, or both.

747 The provisions of this section do not apply to the operation
748 of the lottery authorized by Section 2 of this act.

749 **SECTION 17.** Section 97-33-39, Mississippi Code of 1972, is
750 amended as follows:

751 97-33-39. If any person shall sell, or offer or expose for
752 sale, any lottery ticket, whether the lottery be in or out of this
753 state, or for or in any other state, territory, district, or
754 country, he shall, on conviction, be fined not less than
755 Twenty-five Dollars (\$25.00) nor more than One Hundred Dollars
756 (\$100.00), or imprisoned in the county jail not less than ten (10)
757 days nor more than sixty (60) days, or both.

758 The provisions of this section do not apply to the operation
759 of the lottery authorized by Section 2 of this act.

760 **SECTION 18.** Section 97-33-41, Mississippi Code of 1972, is
761 amended as follows:

762 97-33-41. If any person shall buy in this state any lottery
763 ticket, whether the lottery be in or out of this state, or of or
764 in any other state, territory, district, or country, he shall, on
765 conviction, be fined not less than Five Dollars (\$5.00) nor more
766 than Twenty-five Dollars (\$25.00), or be imprisoned in the county
767 jail not exceeding ten (10) days, or both.



768 The provisions of this section do not apply to the operation
769 of the lottery authorized by Section 2 of this act.

770 **SECTION 19.** Section 97-33-43, Mississippi Code of 1972, is
771 amended as follows:

772 97-33-43. If any railroad company shall suffer or permit the
773 sale of a lottery ticket of any kind on its cars, or at its depots
774 or depot grounds, or by its employees, no matter where the lottery
775 is located, it shall be guilty of a misdemeanor and, on
776 conviction, shall be fined not less than Twenty Dollars (\$20.00)
777 nor more than One Hundred Dollars (\$100.00) for every such ticket
778 so sold.

779 The provisions of this section do not apply to the operation
780 of the lottery authorized by Section 2 of this act.

781 **SECTION 20.** Section 97-33-45, Mississippi Code of 1972, is
782 amended as follows:

783 97-33-45. If the owner or owners of any steamboat shall
784 suffer or permit the sale of a lottery ticket of any kind on his
785 or their boat, or by his or their employees, no matter where the
786 lottery is located, he or they shall be guilty of a misdemeanor
787 and shall, on conviction, be punished as prescribed in Section
788 97-33-43.

789 The provisions of this section do not apply to the operation
790 of the lottery authorized by Section 2 of this act.

791 **SECTION 21.** Section 97-33-47, Mississippi Code of 1972, is
792 amended as follows:



793 97-33-47. If any person shall act as agent for any lottery
794 or lottery company, no matter where domiciled or located, or if he
795 shall assume to so act as agent, or if he receive any money or
796 other thing for any such lottery or lottery company, or deliver to
797 any person any ticket or tickets, prize or prizes, or other thing
798 from such lottery or lottery company, he shall, on conviction, be
799 fined not less than One Hundred Dollars (\$100.00), nor more than
800 Five Hundred Dollars (\$500.00), and be imprisoned in the county
801 jail not less than three (3) months nor more than six (6) months.

802 The provisions of this section do not apply to the operation
803 of the lottery authorized by Section 2 of this act.

804 **SECTION 22.** Section 97-33-49, Mississippi Code of 1972, is
805 amended as follows:

806 97-33-49. Except as otherwise provided in Section 97-33-51,
807 if any person, in order to raise money for himself or another,
808 shall publicly or privately put up or in any way offer any prize
809 or thing to be raffled or played for, he shall, on conviction, be
810 fined not more than Twenty Dollars (\$20.00), or be imprisoned not
811 more than one (1) month in the county jail.

812 The provisions of this section do not apply to the operation
813 of the lottery authorized by Section 2 of this act.

814 **SECTION 23.** This act shall take effect and be in force from
815 and after its passage.

