

By: Senator(s) Simmons (13th)

To: Finance

SENATE BILL NO. 2667

1 AN ACT TO AMEND SECTION 75-76-5, MISSISSIPPI CODE OF 1972, TO
 2 MORE SPECIFICALLY DEFINE "SPORTS POOL" BY INCLUDING CERTAIN
 3 EXAMPLES AND EXCLUDING FANTASY CONTESTS, AND TO ADD A DEFINITION
 4 OF "PLATFORM"; TO AMEND SECTIONS 75-76-33, 75-76-55 AND 75-76-101,
 5 MISSISSIPPI CODE OF 1972, TO EXEMPT WAGERS PLACED THROUGH APPROVED
 6 PLATFORMS FROM CERTAIN GAMING RESTRICTIONS; TO AMEND SECTION
 7 75-76-79, MISSISSIPPI CODE OF 1972, TO PROVIDE FOR THE LICENSING
 8 OF PLATFORMS AS DISTRIBUTORS; TO AMEND SECTION 75-76-89,
 9 MISSISSIPPI CODE OF 1972, TO ALLOW GAMING LICENSEES TO ESTABLISH
 10 SPORTS POOL AND RACE BOOKS THROUGH APPROVED PLATFORMS; TO AMEND
 11 SECTION 75-76-175, MISSISSIPPI CODE OF 1972, TO ALLOW FOR THE
 12 ESTABLISHMENT OF ACCOUNTS ELECTRONICALLY THROUGH APPROVED
 13 PLATFORMS; TO AMEND SECTION 75-76-177, MISSISSIPPI CODE OF 1972,
 14 TO IMPOSE A LICENSE FEE OF 6% OF GROSS REVENUE EXCEEDING
 15 \$134,000.00 AND RECEIVED THROUGH A PLATFORM; TO AMEND SECTION
 16 97-33-305, MISSISSIPPI CODE OF 1972, TO DELETE THE PROHIBITION ON
 17 FANTASY CONTEST OPERATORS OFFERING CONTESTS BASED ON THE
 18 PERFORMANCE OF PARTICIPANTS IN COLLEGIATE SPORTS EVENTS; AND FOR
 19 RELATED PURPOSES.

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

21 **SECTION 1.** Section 75-76-5, Mississippi Code of 1972, is
 22 amended as follows:

23 75-76-5. As used in this chapter, unless the context
 24 requires otherwise:

25 (a) "Applicant" means any person who has applied for or
 26 is about to apply for a state gaming license, registration or



27 finding of suitability under the provisions of this chapter or
28 approval of any act or transaction for which approval is required
29 or permitted under the provisions of this chapter.

30 (b) "Application" means a request for the issuance of a
31 state gaming license, registration or finding of suitability under
32 the provisions of this chapter or for approval of any act or
33 transaction for which approval is required or permitted under the
34 provisions of this chapter but does not include any supplemental
35 forms or information that may be required with the application.

36 (c) "Associated equipment" means any equipment or
37 mechanical, electromechanical or electronic contrivance, component
38 or machine used remotely or directly in connection with gaming or
39 with any game, race book or sports pool that would not otherwise
40 be classified as a gaming device, including dice, playing cards,
41 links which connect to progressive slot machines, equipment which
42 affects the proper reporting of gross revenue, computerized
43 systems of betting at a race book or sports pool, computerized
44 systems for monitoring slot machines, and devices for weighing or
45 counting money.

46 (d) "Chairman" means the Chairman of the Mississippi
47 Gaming Commission except when used in the term "Chairman of the
48 State Tax Commission." "Chairman of the State Tax Commission" or
49 "commissioner" means the Commissioner of Revenue of the Department
50 of Revenue.



51 (e) "Commission" or "Mississippi Gaming Commission"
52 means the Mississippi Gaming Commission.

53 (f) "Commission member" means a member of the
54 Mississippi Gaming Commission.

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

59 (h) "Enforcement division" means a particular division
60 supervised by the executive director that provides enforcement
61 functions.

62 (i) "Establishment" means any premises wherein or
63 whereon any gaming is done.

64 (j) "Executive director" means the Executive Director
65 of the Mississippi Gaming Commission.

66 (k) Except as otherwise provided by law, "game," or
67 "gambling game" means any banking or percentage game played with
68 cards, with dice or with any mechanical, electromechanical or
69 electronic device or machine for money, property, checks, credit
70 or any representative of value, including, without limiting, the
71 generality of the foregoing, faro, monte, roulette, keno, fan-tan,
72 twenty-one, blackjack, seven-and-a-half, big injun, klondike,
73 craps, poker, chuck-a-luck (dai shu), wheel of fortune, chemin de
74 fer, baccarat, pai gow, beat the banker, panguingui, slot machine,
75 or any other game or device approved by the commission. However,



76 "game" or "gambling game" shall not include bingo games or raffles
77 which are held pursuant to the provisions of Section 97-33-51, or
78 the illegal gambling activities described in Section 97-33-8.

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

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

85 (m) "Gaming device" means any mechanical,
86 electromechanical or electronic contrivance, component or machine
87 used in connection with gaming or any game which affects the
88 result of a wager by determining win or loss. The term includes a
89 system for processing information which can alter the normal
90 criteria of random selection, which affects the operation of any
91 game, or which determines the outcome of a game. The term does
92 not include a system or device which affects a game solely by
93 stopping its operation so that the outcome remains undetermined,
94 and does not include any antique coin machine as defined in
95 Section 27-27-12.

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

99 (i) Boxmen;

100 (ii) Cashiers;



- 101 (iii) Change personnel;
102 (iv) Counting room personnel;
103 (v) Dealers;
104 (vi) Floormen;
105 (vii) Hosts or other persons empowered to extend
106 credit or complimentary services;
107 (viii) Keno runners;
108 (ix) Keno writers;
109 (x) Machine mechanics;
110 (xi) Security personnel;
111 (xii) Shift or pit bosses;
112 (xiii) Shills;
113 (xiv) Supervisors or managers; and
114 (xv) Ticket writers.

115 The term "gaming employee" also includes employees of
116 manufacturers or distributors of gaming equipment within this
117 state whose duties are directly involved with the manufacture,
118 repair or distribution of gaming equipment.

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

122 (o) "Gaming license" means any license issued by the
123 state which authorizes the person named therein to engage in
124 gaming.



125 (p) "Gross revenue" means the total of all of the
126 following, less the total of all cash paid out as losses to
127 patrons and those amounts paid to purchase annuities to fund
128 losses paid to patrons over several years by independent financial
129 institutions:

130 (i) Cash received as winnings;

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

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

135 For the purposes of this definition, cash or the value of
136 noncash prizes awarded to patrons in a contest or tournament are
137 not losses.

138 The term does not include:

139 (i) Counterfeit money or tokens;

140 (ii) Coins of other countries which are received
141 in gaming devices;

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

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

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



149 (r) "Investigation division" means a particular
150 division supervised by the executive director that provides
151 investigative functions.

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

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

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

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

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

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

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

167 (z) "Party" means the Mississippi Gaming Commission and
168 any licensee or other person appearing of record in any proceeding
169 before the commission; or the Mississippi Gaming Commission and
170 any licensee or other person appearing of record in any proceeding
171 for judicial review of any action, decision or order of the
172 commission.



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

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

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

182 (dd) "Regulation" means a rule, standard, directive or
183 statement of general applicability which effectuates law or policy
184 or which describes the procedure or requirements for practicing
185 before the commission. The term includes a proposed regulation
186 and the amendment or repeal of a prior regulation but does not
187 include:

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

191 (ii) A declaratory ruling;

192 (iii) An interagency memorandum;

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

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



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

199 (ff) "Slot machine" means any mechanical, electrical or
200 other device, contrivance or machine which, upon insertion of a
201 coin, token or similar object, or upon payment of any
202 consideration, is available to play or operate, the play or
203 operation of which, whether by reason of the skill of the operator
204 or application of the element of chance, or both, may deliver or
205 entitle the person playing or operating the machine to receive
206 cash, premiums, merchandise, tokens or anything of value, whether
207 the payoff is made automatically from the machine or in any other
208 manner. The term does not include any antique coin machine as
209 defined in Section 27-27-12.

210 (gg) "Sports pool" means the business of accepting
211 wagers on collegiate or professional sporting events or athletic
212 events, by any system or method of wagering other than the system
213 known as the "pari-mutuel method of wagering." The term includes,
214 but is not limited to, single-game bets, teaser bets, parlays,
215 over-under, moneyline, pools, exchange wagering, in-game wagering,
216 in-play bets, proposition bets, and straight bets. The term does
217 not include fantasy contests as defined in Section 97-33-303.

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



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

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

225 (kk) "Work permit" means any card, certificate or
226 permit issued by the commission, whether denominated as a work
227 permit, registration card or otherwise, authorizing the employment
228 of the holder as a gaming employee. A document issued by any
229 governmental authority for any employment other than gaming is not
230 a valid work permit for the purposes of this chapter.

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

234 (mm) "Cheat" means to alter the selection of criteria
235 that determine:

236 (i) The rules of a game; or

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

238 (nn) "Promotional activity" means an activity or event
239 conducted or held for the purpose of promoting or marketing the
240 individual licensed gaming establishment that is engaging in the
241 promotional activity. The term includes, but is not limited to, a
242 game of any kind other than as defined in paragraph (k) of this
243 section, a tournament, a contest, a drawing, or a promotion of any
244 kind.



245 (oo) "Platform" means a person or entity that operates
246 a sports pool or race book over the Internet, including on
247 websites and mobile devices, on behalf of the holder of a gaming
248 license. Notwithstanding any provision of law to the contrary, a
249 platform may determine whether to accept or reject wagers,
250 determine the results of wagers, and payout winning wagers.

251 **SECTION 2.** Section 75-76-33, Mississippi Code of 1972, is
252 amended as follows:

253 75-76-33. (1) The commission shall, from time to time,
254 adopt, amend or repeal such regulations, consistent with the
255 policy, objects and purposes of this chapter, as it may deem
256 necessary or desirable in the public interest in carrying out the
257 policy and provisions of this chapter. The commission shall
258 comply with the Mississippi Administrative Procedures Law when
259 adopting, amending or repealing any regulations authorized under
260 this section or under any other provision of this chapter.

261 (2) These regulations shall, without limiting the general
262 powers herein conferred, include the following:

263 (a) Prescribing the method and form of application
264 which any applicant for a license or for a manufacturer's,
265 seller's or distributor's license must follow and complete before
266 consideration of his application by the executive director or the
267 commission.

268 (b) Prescribing the information to be furnished by any
269 applicant or licensee concerning his antecedents, habits,



270 character, associates, criminal record, business activities and
271 financial affairs, past or present.

272 (c) Prescribing the information to be furnished by a
273 licensee relating to his employees.

274 (d) Requiring fingerprinting of an applicant or
275 licensee, and gaming employees of a licensee, or other methods of
276 identification and the forwarding of all fingerprints taken
277 pursuant to regulation of the Federal Bureau of Investigation.

278 (e) Prescribing the manner and procedure of all
279 hearings conducted by the commission or any hearing examiner of
280 the commission, including special rules of evidence applicable
281 thereto and notices thereof.

282 (f) Requiring any applicant to pay all or any part of
283 the fees and costs of investigation of such applicant as may be
284 determined by the commission under paragraph (g) of this
285 subsection (2).

286 (g) Prescribing the amounts of investigative fees only
287 as authorized by regulations of the commission under paragraph (f)
288 of this subsection, and collecting those fees. The commission
289 shall adopt regulations setting the amounts of those fees at
290 levels that will provide the commission with sufficient revenue,
291 when combined with any other monies as may be deposited into the
292 Mississippi Gaming Commission Fund created in Section 75-76-325,
293 to carry out the provisions of this chapter without any state



294 general funds. In calculating the amount of such fees, the
295 commission shall:

296 (i) Attempt to set the fees at levels that will
297 create a balance in the Mississippi Gaming Commission Fund that
298 does not exceed, at the end of any state fiscal year, two percent
299 (2%) of the projected amount of funds that will provide the
300 commission with such sufficient revenue; and

301 (ii) Demonstrate the reasonableness of the
302 relationship between a fee and the actual costs of the
303 investigative activity for which the fee is being prescribed.

304 (h) Prescribing the manner and method of collection and
305 payment of fees and issuance of licenses.

306 (i) Prescribing under what conditions a licensee may be
307 deemed subject to revocation or suspension of his license.

308 (j) Requiring any applicant or licensee to waive any
309 privilege with respect to any testimony at any hearing or meeting
310 of the commission, except any privilege afforded by the
311 Constitution of the United States or this state.

312 (k) Defining and limiting the area, games and devices
313 permitted, and the method of operation of such games and devices,
314 for the purposes of this chapter.

315 (l) Prescribing under what conditions the nonpayment of
316 a gambling debt by a licensee shall be deemed grounds for
317 revocation or suspension of his license.



318 (m) Governing the use and approval of gambling devices
319 and equipment.

320 (n) Prescribing the qualifications of, and the
321 conditions under which, attorneys, accountants and others are
322 permitted to practice before the commission.

323 (o) Restricting access to confidential information
324 obtained under this chapter and ensuring that the confidentiality
325 of such information is maintained and protected.

326 (p) Prescribing the manner and procedure by which the
327 executive director on behalf of the commission shall notify a
328 county or a municipality wherein an applicant for a license
329 desires to locate.

330 (q) Prescribing the manner and procedure for an
331 objection to be filed with the commission and the executive
332 director by a county or municipality wherein an applicant for a
333 license desires to locate.

334 (3) * * * Except for wagers placed through approved
335 platforms, each licensee shall be required to comply with the
336 regulation that no wager may be placed by, or on behalf of, any
337 individual or entity or group, not present on a licensed vessel or
338 cruise vessel.

339 (4) From and after July 1, 2016, the expenses of this agency
340 shall be defrayed by appropriation from the State General Fund and
341 all user charges and fees authorized under this section shall be
342 deposited into the State General Fund as authorized by law.



343 (5) From and after July 1, 2016, no state agency shall
344 charge another state agency a fee, assessment, rent or other
345 charge for services or resources received by authority of this
346 section.

347 **SECTION 3.** Section 75-76-55, Mississippi Code of 1972, is
348 amended as follows:

349 75-76-55. (1) Except for an approved platform, or as
350 otherwise provided in Section 75-76-34, it is unlawful for any
351 person, either as owner, lessee or employee, whether for hire or
352 not, either solely or in conjunction with others, without having
353 first procured and thereafter maintaining in effect a state gaming
354 license:

355 (a) To deal, operate, carry on, conduct, maintain or
356 expose for play in the State of Mississippi any gambling game,
357 including, without limitation, any gaming device, slot machine,
358 race book or sports pool;

359 (b) To provide or maintain any information service the
360 primary purpose of which is to aid the placing or making of wagers
361 on events of any kind; or

362 (c) To receive, directly or indirectly, any
363 compensation or reward or any percentage or share of the money or
364 property played, for keeping, running or carrying on any gambling
365 game, including, without limitation, any slot machine, gaming
366 device, race book or sports pool.



367 (2) Except for an approved platform, or as otherwise
368 provided in Section 75-76-34, it is unlawful for any person
369 knowingly to permit any gambling game, including, without
370 limitation, any slot machine, gaming device, race book or sports
371 pool to be conducted, operated, dealt or carried on in any house
372 or building or other premises owned by him, in whole or in part,
373 by a person who is not licensed pursuant to this chapter or by his
374 employee.

375 **SECTION 4.** Section 75-76-79, Mississippi Code of 1972, is
376 amended as follows:

377 75-76-79. (1) (a) Except as otherwise provided in
378 paragraphs (b) and (c) of this subsection, it is unlawful for any
379 person, either as owner, lessee or employee, whether for hire or
380 not, to operate, carry on, conduct or maintain any form of
381 manufacture, selling or distribution of any gaming device for use
382 or play in Mississippi or for distribution outside of Mississippi
383 without first procuring and maintaining all required federal and
384 state licenses.

385 (b) A platform shall be licensed under this section as
386 a distributor.

387 (* * *c) A lessor who specifically acquires equipment
388 for a capital lease is not required to be licensed under this
389 section.

390 (* * *d) The holder of a state gaming license or the
391 holding company of a corporate licensee may, within two (2) years



392 after cessation of business or upon specific approval by the
393 executive director, dispose of by sale in a manner approved by the
394 executive director, any or all of its gaming devices, including
395 slot machines, without a distributor's license. In cases of
396 bankruptcy of a state gaming licensee or foreclosure of a lien by
397 a bank or other person holding a security interest for which
398 gaming devices are security, in whole or in part, for the lien,
399 the executive director may authorize the disposition of the gaming
400 devices without requiring a distributor's license.

401 (* * *e) Any person whom the commission determines is
402 a suitable person to receive a license under the provisions of
403 this section may be issued a manufacturer's or distributor's
404 license. The burden of proving his qualification to receive or
405 hold a license under this section is at all times on the applicant
406 or licensee.

407 (* * *f) Every person who must be licensed pursuant to
408 this section is subject to the provisions of Sections 75-76-199
409 through 75-76-265, unless exempted from those provisions by the
410 commission.

411 (* * *g) The commission may exempt, for any purpose, a
412 manufacturer, seller or distributor from the provisions of
413 Sections 75-76-199 through 75-76-265, if the commission determines
414 that the exemption is consistent with the purposes of this
415 chapter.



416 (* * *h) As used in this section, "holding company"
417 has the meaning ascribed to it in Section 75-76-199.

418 (2) If the commission determines that a manufacturer or
419 distributor is unsuitable to receive or hold a license:

420 (a) No new gaming device or associated equipment
421 manufactured by the manufacturer or distributed by the distributor
422 may be approved;

423 (b) Any previously approved device or associated
424 equipment manufactured by the manufacturer or distributed by the
425 distributor is subject to revocation of approval if the reasons
426 for the denial of the license also apply to that device or
427 associated equipment;

428 (c) No new device or associated equipment manufactured
429 by the manufacturer or distributed by the distributor may be sold,
430 transferred or offered for use or play in Mississippi; and

431 (d) Any association or agreement between the
432 manufacturer or distributor and a licensee must be terminated,
433 unless otherwise provided by the commission. An agreement between
434 such a manufacturer or distributor of gaming devices or associated
435 equipment and a licensee shall be deemed to include a provision
436 for its termination without liability on the part of the licensee
437 upon a finding by the commission that the manufacturer is
438 unsuitable to be associated with a gaming enterprise. Failure to
439 include that condition in the agreement is not a defense in any



440 action brought pursuant to this section to terminate the
441 agreement.

442 (3) Failure of a licensee to terminate any association or
443 agreement with a manufacturer or distributor of gaming devices or
444 associated equipment after receiving notice of a determination of
445 unsuitability, the denial of a license or failure to file a timely
446 application for a license, is an unsuitable method of operation.

447 (4) There is hereby imposed and levied on each applicant for
448 a manufacturer's, seller's or distributor's license under this
449 section an annual license fee in the following amount:

450 (a) For the issuance or continuation of a
451 manufacturer's license, One Thousand Dollars (\$1,000.00).

452 (b) For the issuance or continuation of a seller's or
453 distributor's license, Five Hundred Dollars (\$500.00).

454 This fee is to be paid by the applicant to the * * *
455 Department of Revenue on or before the filing of the application
456 for a manufacturer's, seller's or distributor's license by the
457 applicant. Upon such payment the * * * Commissioner of Revenue
458 shall certify to the executive director that such fee has been
459 paid by the applicant.

460 Except for those amounts that a person issued a
461 manufacturer's license under this section may charge for goods
462 supplied or services rendered, the person holding the
463 manufacturer's license may not be directly reimbursed by a holder
464 of a gaming license for the cost of any fee paid by the person for



465 the issuance or continuation of such a license, whether imposed
466 under this section or any other provision of this chapter.

467 (5) A manufacturer or distributor of associated equipment
468 who sells, transfers or offers the associated equipment for use or
469 play in Mississippi may be required by the executive director to
470 file an application for a finding of suitability to be a
471 manufacturer or distributor of associated equipment.

472 Any person who directly or indirectly involves himself in the
473 sale, transfer or offering for use or play in Mississippi of
474 associated equipment who is not otherwise required to be licensed
475 as a manufacturer or distributor may be required by the executive
476 director to file an application for a finding of suitability to be
477 a manufacturer or distributor of associated equipment.

478 If an application for a finding of suitability is not
479 submitted within thirty (30) days after demand by the executive
480 director, he may pursue any remedy or combination of remedies
481 provided in this chapter.

482 (6) The executive director and his employees may inspect
483 every gaming device which is manufactured, sold or distributed:

484 (a) For use in this state, before the gaming device is
485 put into play.

486 (b) In this state for use outside this state, before
487 the gaming device is shipped out of this state.

488 The executive director may inspect every gaming device which
489 is offered for play within this state by a licensee.



490 The executive director may inspect all associated equipment
491 which is manufactured, sold or distributed for use in this state
492 before the equipment is installed or used by a gaming licensee.

493 In addition to all other fees and charges imposed by this
494 chapter, the executive director may determine an inspection fee
495 with regard to each manufacturer, seller or distributor which must
496 not exceed the actual cost of inspection and investigation. Upon
497 such determination, the executive director shall certify to
498 the * * * Commissioner of Revenue the amount of the inspection fee
499 and the name and address of the applicant. Upon such
500 certification the * * * Department of Revenue shall proceed to
501 assess and collect such inspection fee from the applicant.

502 **SECTION 5.** Section 75-76-89, Mississippi Code of 1972, is
503 amended as follows:

504 75-76-89. (1) Except as otherwise provided in subsection
505 (3) of this section, all licenses issued to the same person,
506 including a wholly owned subsidiary of that person, for the
507 operation of any game, including a sports pool or race book, which
508 authorize gaming at the same establishment must be merged into a
509 single gaming license. A gaming license may not be issued to any
510 person if the issuance would result in more than one licensed
511 operation at a single establishment, whether or not the profits or
512 revenue from gaming are shared between the licensed operations.

513 (2) A person who has been issued a gaming license may
514 establish a sports pool or race book on the premises of the



515 establishment at which he conducts a gaming operation, and through
516 approved platforms, only after obtaining permission from the
517 executive director.

518 **SECTION 6.** Section 75-76-101, Mississippi Code of 1972, is
519 amended as follows:

520 75-76-101. (1) All gaming must be conducted with chips,
521 tokens or other instrumentalities approved by the executive
522 director or with the legal tender of the United States.

523 (2) * * * Except for a sports pool or race book conducted
524 through an approved platform, no licensee shall permit
525 participation by a person in a game conducted in the licensed
526 gaming establishment if such person is not physically present in
527 the licensed gaming establishment during the period of time when
528 such game is being conducted, and all games and the participation
529 of patrons therein shall be entirely located and conducted on the
530 licensed premises.

531 **SECTION 7.** Section 75-76-175, Mississippi Code of 1972, is
532 amended as follows:

533 75-76-175. (1) A credit instrument accepted on or after
534 June 29, 1991, is valid and may be enforced by legal process.

535 (2) A licensee or a person acting on the licensee's behalf
536 may accept an incomplete credit instrument which:

- 537 (a) Is signed by a patron; and
538 (b) States the amount of the debt in figures.



539 and may complete the instrument as is necessary for the instrument
540 to be presented for payment.

541 (3) A licensee or person acting on behalf of a licensee:

542 (a) May accept a credit instrument that is dated later
543 than the date of its execution if that later date is furnished at
544 the time of the execution of the credit instrument by the patron.

545 (b) May not accept a credit instrument which is
546 incomplete, except as authorized by subsection (2) of this
547 section.

548 (c) May accept a credit instrument that is payable to
549 an affiliated company or may complete a credit instrument in the
550 name of an affiliated company as payee if the credit instrument
551 otherwise complies with this subsection and the records of the
552 affiliated company pertaining to the credit instrument are made
553 available to the executive director upon request.

554 (4) This section does not prohibit the establishment of an
555 account:

556 (a) By a deposit of cash, recognized traveler's check,
557 or any other instruments which is equivalent to cash; or

558 (b) Electronically through an approved platform.

559 (5) Any person who violates the provisions of this section
560 is subject only to the penalties provided in Sections 75-76-103
561 through 75-76-119, inclusive.



562 (6) The commission may adopt regulations prescribing the
563 conditions under which a credit instrument may be redeemed or
564 presented to a bank for collection or payment.

565 **SECTION 8.** Section 75-76-177, Mississippi Code of 1972, is
566 amended as follows:

567 75-76-177. (1) From and after August 1, 1990, there is
568 hereby imposed and levied on each gaming licensee a license fee
569 based upon all the gross revenue of the licensee as follows:

570 (a) Four percent (4%) of all the gross revenue of the
571 licensee which does not exceed Fifty Thousand Dollars (\$50,000.00)
572 per calendar month;

573 (b) Six percent (6%) of all the gross revenue of the
574 licensee which exceeds Fifty Thousand Dollars (\$50,000.00) per
575 calendar month and does not exceed One Hundred Thirty-four
576 Thousand Dollars (\$134,000.00) per calendar month; and

577 (c) * * * As to the gross revenue of the licensee which
578 exceeds One Hundred Thirty-four Thousand Dollars (\$134,000.00) per
579 calendar month, six percent (6%) of gross revenue received through
580 a platform and eight percent (8%) of all other gross revenue.

581 (2) All revenue received from any game or gaming device
582 which is leased for operation on the premises of the
583 licensee-owner to a person other than the owner thereof or which
584 is located in an area or space on such premises which is leased by
585 the licensee-owner to any such person, must be attributed to the
586 owner for the purposes of this section and be counted as part of



587 the gross revenue of the owner. The lessee is liable to the owner
588 for his proportionate share of such license fees.

589 (3) If the amount of license fees required to be reported
590 and paid pursuant to this section is later determined to be
591 greater or less than the amount actually reported and paid by the
592 licensee, the * * * Commissioner of Revenue shall:

593 (a) Assess and collect the additional license fees
594 determined to be due, with interest thereon until paid; or

595 (b) Refund any overpayment, with interest thereon, to
596 the licensee.

597 Interest must be computed, until paid, at the rate of one
598 percent (1%) per month from the first day of the first month
599 following either the due date of the additional license fees or
600 the date of overpayment.

601 (4) Failure to pay the fees provided for in this section
602 when they are due for continuation of a license shall be deemed a
603 surrender of the license.

604 **SECTION 9.** Section 97-33-305, Mississippi Code of 1972, is
605 amended as follows:

606 97-33-305. (1) Fantasy contests are legal in this state. A
607 fantasy contest operator must comply with the provisions of this
608 section if the operator's total player roster for all fantasy
609 contests consists of one hundred (100) or more members of the
610 general public.



611 (2) A fantasy contest operator must implement commercially
612 reasonable procedures for fantasy contests with an entry fee to:

613 (a) Prevent employees of the operator, and relatives
614 living in the same household with an employee of an operator, from
615 competing in fantasy contests offered by an operator in which the
616 operator offers a cash prize;

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

620 (c) Prevent the operator from participating in a
621 fantasy contest offered by the operator;

622 (d) Verify that a fantasy contest player is eighteen
623 (18) years of age or older except as required in Section
624 97-33-307(5);

625 (e) Ensure that individuals who participate or
626 officiate in a sporting event or who own, manage or coach a team
627 or player who participates in a sporting event will not knowingly
628 be allowed to enter a fantasy contest that is determined, in whole
629 or in part, on accumulated statistical results that include a
630 sporting event in which the individual could be involved as an
631 athlete, official, owner, manager or coach;

632 (f) Allow individuals to restrict themselves from
633 entering a fantasy contest upon request and provide reasonable
634 steps to prevent the person from entering fantasy contests offered
635 by the operator;



636 (g) Disclose the number of entries that a player may
637 submit to each fantasy contest and provide reasonable steps to
638 prevent players from submitting more than the allowable number;

639 (h) Restrict the number of entries submitted by a
640 single player for any contest as follows:

641 (i) An operator shall not allow a player to submit
642 more than one (1) entry in a contest involving twelve (12) or
643 fewer players.

644 (ii) If the number of players in a contest is more
645 than twelve (12) but fewer than thirty-seven (37), an operator
646 shall not allow a player to submit more than two (2) entries.

647 (iii) If the number of players in a contest is at
648 least thirty-seven (37) but no more than one hundred (100), an
649 operator shall not allow a player to submit more than three (3)
650 entries.

651 (iv) In any contest involving more than one
652 hundred (100) players, an operator shall not allow a player to
653 submit more than the lesser of:

- 654 1. Three percent (3%) of all entries; or
655 2. One hundred fifty (150) entries.

656 (v) For all advertised fantasy contests, the
657 operator must prominently include information about the maximum
658 number of entries that may be submitted for that contest.

659 (vi) An operator may establish fantasy contests in
660 which there is no restriction on the number of entries, if those



661 contests constitute less than two percent (2%) of the total number
662 of contests it offers, and if the operator clearly discloses:

663 1. That there are no limits on the number of
664 entries by each player in the contest; and

665 2. That the cost of participating in such a
666 contest is Fifty Dollars (\$50.00) or more per entry;

667 (i) Offer introductory procedures for players that are
668 prominently displayed on the main page of the operator's platform
669 to explain contest play and how to identify a highly experienced
670 player;

671 (j) Identify all highly experienced players in every
672 fantasy contest by a symbol attached to the players' usernames, or
673 by other easily visible means, on all platforms supported by the
674 operator; and

675 (k) Segregate fantasy contest player funds from
676 operational funds or maintain a reserve in the form of cash, cash
677 equivalents, payment processor reserves and receivables, an
678 irrevocable letter of credit, a bond, or a combination thereof, in
679 the amount of the total account balances of the fantasy contest
680 players for the benefit and protection of the funds held in the
681 accounts.

682 (3) An operator shall not offer contests based on the
683 performance of participants in * * * high school or youth sports
684 events.



685 (4) A fantasy contest operator offering fantasy contests
686 with an entry fee in this state shall comply with audit procedures
687 adopted by the commission to ensure compliance with this section.

688 (5) (a) Advertisements for contests and prizes offered by
689 an operator shall not target prohibited participants, minors, or
690 self-excluded persons.

691 (b) Representations or implications about average
692 winnings from contests shall not be unfair or misleading. Such
693 representations shall include, at a minimum:

694 (i) The median and mean net winnings of all
695 players participating in contests offered by the operator; and

696 (ii) The percentage of winnings awarded by the
697 operator to highly experienced players participating in contests
698 offered by the operator within the preceding calendar year.

699 (6) Operators shall prohibit the use of third-party scripts
700 or scripting programs for any contest and ensure that measures are
701 in place to deter, detect and, to the extent reasonably possible,
702 prevent cheating, including collusion, and the use of cheating
703 devices, including use of software programs that submit entry fees
704 or adjust the athletes selected by a player.

705 (7) The values of all prizes and awards offered to winning
706 players must be established and made known to the players in
707 advance of the contest.

708 **SECTION 10.** This act shall take effect and be in force from
709 and after July 1, 2019.

