

By: Representative Harness

To: Gaming; Ways and Means

## HOUSE BILL NO. 941

1 AN ACT TO AMEND SECTION 75-76-5, MISSISSIPPI CODE OF 1972, TO  
2 REVISE THE GAMING CONTROL ACT DEFINITION OF "SPORTS POOL" AND  
3 DEFINE "PLATFORM" AS A PERSON OR ENTITY THAT OPERATES A SPORTS  
4 POOL OR RACE BOOK OVER THE INTERNET, INCLUDING ON WEBSITES AND  
5 MOBILE DEVICES, ON BEHALF OF THE HOLDER OF A GAMING LICENSE; TO  
6 AMEND SECTIONS 75-76-33, 75-76-55, 75-76-79, 75-76-89, 75-76-101  
7 AND 75-76-175, MISSISSIPPI CODE OF 1972, TO AUTHORIZE THE USE OF  
8 PLATFORMS, LICENSED UNDER THE GAMING CONTROL ACT AS A DISTRIBUTOR;  
9 TO AMEND SECTION 75-76-177, MISSISSIPPI CODE OF 1972, TO REVISE  
10 THE GAMING LICENSE FEES IN REGARDS TO PLATFORM GROSS REVENUES; TO  
11 AMEND SECTION 97-33-305, MISSISSIPPI CODE OF 1972, TO REVISE THE  
12 FANTASY CONTEST ACT TO DELETE THE PROHIBITION ON OPERATORS  
13 OFFERING CONTESTS BASED ON THE PERFORMANCE OF PARTICIPANTS IN  
14 COLLEGIATE SPORTS EVENTS; AND FOR RELATED PURPOSES.

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

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

18 75-76-5. As used in this chapter, unless the context  
19 requires otherwise:

20 (a) "Applicant" means any person who has applied for or  
21 is about to apply for a state gaming license, registration or  
22 finding of suitability under the provisions of this chapter or  
23 approval of any act or transaction for which approval is required  
24 or permitted under the provisions of this chapter.



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

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

41 (d) "Chairman" means the Chairman of the Mississippi  
42 Gaming Commission except when used in the term "Chairman of the  
43 State Tax Commission." "Chairman of the State Tax Commission" or  
44 "commissioner" means the Commissioner of Revenue of the Department  
45 of Revenue.

46 (e) "Commission" or "Mississippi Gaming Commission"  
47 means the Mississippi Gaming Commission.

48 (f) "Commission member" means a member of the  
49 Mississippi Gaming Commission.



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

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

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

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

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



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

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

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

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

- 94           (i) Boxmen;
- 95           (ii) Cashiers;
- 96           (iii) Change personnel;
- 97           (iv) Counting room personnel;
- 98           (v) Dealers;



99 (vi) Floormen;  
100 (vii) Hosts or other persons empowered to extend  
101 credit or complimentary services;  
102 (viii) Keno runners;  
103 (ix) Keno writers;  
104 (x) Machine mechanics;  
105 (xi) Security personnel;  
106 (xii) Shift or pit bosses;  
107 (xiii) Shills;  
108 (xiv) Supervisors or managers; and  
109 (xv) Ticket writers.

110 The term "gaming employee" also includes employees of  
111 manufacturers or distributors of gaming equipment within this  
112 state whose duties are directly involved with the manufacture,  
113 repair or distribution of gaming equipment.

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

117 (o) "Gaming license" means any license issued by the  
118 state which authorizes the person named therein to engage in  
119 gaming.

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



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

- (i) Cash received as winnings;
- (ii) Cash received in payment for credit extended by a licensee to a patron for purposes of gaming; and
- (iii) Compensation received for conducting any game in which the licensee is not party to a wager.

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

The term does not include:

- (i) Counterfeit money or tokens;
- (ii) Coins of other countries which are received in gaming devices;
- (iii) Cash taken in fraudulent acts perpetrated against a licensee for which the licensee is not reimbursed; or
- (iv) Cash received as entry fees for contests or tournaments in which the patrons compete for prizes.

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

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



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

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

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

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

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

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

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

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

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



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

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

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

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

186                   (ii) A declaratory ruling;

187                   (iii) An interagency memorandum;

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

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

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

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



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

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

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

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

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



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

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

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

(i) The rules of a game; or

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

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

(oo) "Platform" means a person or entity that operates a sports pool or race book over the Internet, including on websites and mobile devices, on behalf of the holder of a gaming license. Notwithstanding any provision of the law to the



contrary, a platform may determine whether to accept or reject wagers, determine the results of wagers and payout winning wagers.

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

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

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

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

(b) Prescribing the information to be furnished by any applicant or licensee concerning his antecedents, habits, character, associates, criminal record, business activities and financial affairs, past or present.

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



269 (d) Requiring fingerprinting of an applicant or  
270 licensee, and gaming employees of a licensee, or other methods of  
271 identification and the forwarding of all fingerprints taken  
272 pursuant to regulation of the Federal Bureau of Investigation.

273 (e) Prescribing the manner and procedure of all  
274 hearings conducted by the commission or any hearing examiner of  
275 the commission, including special rules of evidence applicable  
276 thereto and notices thereof.

277 (f) Requiring any applicant to pay all or any part of  
278 the fees and costs of investigation of such applicant as may be  
279 determined by the commission under paragraph (g) of this  
280 subsection (2).

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

291 (i) Attempt to set the fees at levels that will  
292 create a balance in the Mississippi Gaming Commission Fund that  
293 does not exceed, at the end of any state fiscal year, two percent



(2%) of the projected amount of funds that will provide the commission with such sufficient revenue; and

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

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

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

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

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

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

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

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



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

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

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

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

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

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



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

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

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

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

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

(2) Except for an approved platform, or as otherwise provided in Section 75-76-34, it is unlawful for any person knowingly to permit any gambling game, including, without limitation, any slot machine, gaming device, race book or sports pool to be conducted, operated, dealt or carried on in any house



or building or other premises owned by him, in whole or in part,  
by a person who is not licensed pursuant to this chapter or by his  
employee.

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

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

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

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

( \* \* \* d) The holder of a state gaming license or the  
holding company of a corporate licensee may, within two (2) years  
after cessation of business or upon specific approval by the  
executive director, dispose of by sale in a manner approved by the  
executive director, any or all of its gaming devices, including  
slot machines, without a distributor's license. In cases of  
bankruptcy of a state gaming licensee or foreclosure of a lien by



392 a bank or other person holding a security interest for which  
393 gaming devices are security, in whole or in part, for the lien,  
394 the executive director may authorize the disposition of the gaming  
395 devices without requiring a distributor's license.

396 ( \* \* \*e) Any person whom the commission determines is  
397 a suitable person to receive a license under the provisions of  
398 this section may be issued a manufacturer's or distributor's  
399 license. The burden of proving his qualification to receive or  
400 hold a license under this section is at all times on the applicant  
401 or licensee.

402 ( \* \* \*f) Every person who must be licensed pursuant to  
403 this section is subject to the provisions of Sections 75-76-199  
404 through 75-76-265, unless exempted from those provisions by the  
405 commission.

406 ( \* \* \*g) The commission may exempt, for any purpose, a  
407 manufacturer, seller or distributor from the provisions of  
408 Sections 75-76-199 through 75-76-265, if the commission determines  
409 that the exemption is consistent with the purposes of this  
410 chapter.

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

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



415 (a) No new gaming device or associated equipment  
416 manufactured by the manufacturer or distributed by the distributor  
417 may be approved;

418 (b) Any previously approved device or associated  
419 equipment manufactured by the manufacturer or distributed by the  
420 distributor is subject to revocation of approval if the reasons  
421 for the denial of the license also apply to that device or  
422 associated equipment;

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

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

437 (3) Failure of a licensee to terminate any association or  
438 agreement with a manufacturer or distributor of gaming devices or  
439 associated equipment after receiving notice of a determination of



unsuitability, the denial of a license or failure to file a timely application for a license, is an unsuitable method of operation.

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

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

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

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

Except for those amounts that a person issued a manufacturer's license under this section may charge for goods supplied or services rendered, the person holding the manufacturer's license may not be directly reimbursed by a holder of a gaming license for the cost of any fee paid by the person for the issuance or continuation of such a license, whether imposed under this section or any other provision of this chapter.

(5) A manufacturer or distributor of associated equipment who sells, transfers or offers the associated equipment for use or play in Mississippi may be required by the executive director to



file an application for a finding of suitability to be a manufacturer or distributor of associated equipment.

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

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

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

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

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

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

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

In addition to all other fees and charges imposed by this chapter, the executive director may determine an inspection fee



with regard to each manufacturer, seller or distributor which must not exceed the actual cost of inspection and investigation. Upon such determination, the executive director shall certify to the \* \* \* Commissioner of Revenue the amount of the inspection fee and the name and address of the applicant. Upon such certification the \* \* \* Department of Revenue shall proceed to assess and collect such inspection fee from the applicant.

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

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

(2) A person who has been issued a gaming license may establish a sports pool or race book on the premises of the establishment at which he or she conducts a gaming operation, and through approved platforms, only after obtaining permission from the executive director.

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



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

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

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

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

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

(a) Is signed by a patron; and

(b) States the amount of the debt in figures \* \* \*;  
and may complete the instrument as is necessary for the instrument to be presented for payment.

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

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



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

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

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

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

(b) Electronically through an approved platform.

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

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

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

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



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

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

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

575 (2) All revenue received from any game or gaming device  
576 which is leased for operation on the premises of the  
577 licensee-owner to a person other than the owner thereof or which  
578 is located in an area or space on such premises which is leased by  
579 the licensee-owner to any such person, must be attributed to the  
580 owner for the purposes of this section and be counted as part of  
581 the gross revenue of the owner. The lessee is liable to the owner  
582 for his proportionate share of such license fees.

583 (3) If the amount of license fees required to be reported  
584 and paid pursuant to this section is later determined to be  
585 greater or less than the amount actually reported and paid by the  
586 licensee, the \* \* \* Commissioner of Revenue shall:

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



589           (b) Refund any overpayment, with interest thereon, to  
590 the licensee.

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

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

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

600           97-33-305. (1) Fantasy contests are legal in this state. A  
601 fantasy contest operator must comply with the provisions of this  
602 section if the operator's total player roster for all fantasy  
603 contests consists of one hundred (100) or more members of the  
604 general public.

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

607           (a) Prevent employees of the operator, and relatives  
608 living in the same household with an employee of an operator, from  
609 competing in fantasy contests offered by an operator in which the  
610 operator offers a cash prize;

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



614           (c) Prevent the operator from participating in a  
615 fantasy contest offered by the operator;

616           (d) Verify that a fantasy contest player is eighteen  
617 (18) years of age or older except as required in Section  
618 97-33-307(5);

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

626           (f) Allow individuals to restrict themselves from  
627 entering a fantasy contest upon request and provide reasonable  
628 steps to prevent the person from entering fantasy contests offered  
629 by the operator;

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

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

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



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

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

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

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

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

653                   (vi) An operator may establish fantasy contests in  
654 which there is no restriction on the number of entries, if those  
655 contests constitute less than two percent (2%) of the total number  
656 of contests it offers, and if the operator clearly discloses:

- 657                               1. That there are no limits on the number of  
658 entries by each player in the contest; and

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

661                   (i) Offer introductory procedures for players that are  
662 prominently displayed on the main page of the operator's platform



663 to explain contest play and how to identify a highly experienced  
664 player;

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

669 (k) Segregate fantasy contest player funds from  
670 operational funds or maintain a reserve in the form of cash, cash  
671 equivalents, payment processor reserves and receivables, an  
672 irrevocable letter of credit, a bond, or a combination thereof, in  
673 the amount of the total account balances of the fantasy contest  
674 players for the benefit and protection of the funds held in the  
675 accounts.

676 (3) An operator shall not offer contests based on the  
677 performance of participants in \* \* \* high school or youth sports  
678 events.

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

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

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



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

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

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

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

702           **SECTION 10.** This act shall take effect and be in force from  
703 and after July 1, 2020.

