HOUSE BILL NO. 152

AN ACT TO AMEND SECTION 27-115-51, MISSISSIPPI CODE OF 1972, TO PROVIDE THAT TEN PERCENT OF THE NET PROCEEDS OF THE MISSISSIPPI LOTTERY CORPORATION SHALL BE TRANSFERRED MONTHLY TO THE MISSISSIPPI PARK FUND; TO AMEND SECTION 55-3-41, MISSISSIPPI CODE OF 1972, TO CONFORM; AND FOR RELATED PURPOSES.

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

SECTION 1. Section 27-115-51, Mississippi Code of 1972, is amended as follows:

27-115-51. (1) (a) All monies received by the corporation from the sale of lottery tickets and all other sources shall be deposited into a corporate operating account. Such account shall be established in a custodian financial institution domiciled in the State of Mississippi and insured by the Federal Deposit Insurance Corporation and collateralized as prescribed by Section 27-105-5. The corporation may use all monies in the corporate operating account for the purposes of paying prizes and the necessary expenses of the corporation and dividends to the state. The corporation shall estimate and allocate the amount to be paid by the corporation to prizewinners.
(b) (i) The investment of monies in the corporate operating account, other than the amount specifically required for the purchase of securities for payment of deferred prizes, shall be invested in a manner prescribed by the board, consistent with law. Such securities purchased as investments by the corporation shall be issued in the name of the corporation and shall be kept at a custodian financial institution domiciled in the State of Mississippi insured by the Federal Deposit Insurance Corporation.

(ii) The investment of monies in the corporate operating account, other than the amount specifically required for the purchase of securities for deferred prize payments to winners, shall be invested only in securities in a manner prescribed by the board, consistent with law. Such securities purchased as investments by the corporation shall be issued in the name of the corporation and shall be safe kept at a custodian financial institution domiciled in the State of Mississippi insured by the Federal Deposit Insurance Corporation.

(iii) These instruments may be in varying maturities and may be in book-entry form.

(iv) For the purpose of deferred prize payments to winners, the corporation shall purchase or invest in only those securities prescribed by the board, consistent with law.

(c) (i) Within twenty (20) days following the close of each calendar month, the corporation shall transfer to the Lottery
Proceeds Fund in the State Treasury the amount of ninety percent (90%) of the net proceeds.

(ii) Within twenty (20) days following the close of each calendar month, the corporation shall transfer to the Mississippi Park Fund in the State Treasury created by Section 55-3-41 the amount of ten percent (10%) of the net proceeds.

(d) The apportionment of the total gross revenues accruing from the sale of lottery tickets or shares and from all other sources shall be as follows:

(i) The payment of prizes to the holders of winning lottery tickets or shares which in any case shall be no less than fifty percent (50%) of the total gross revenues accruing from the sale of lottery tickets.

(ii) The payment of costs incurred in the operation and administration of the lottery, including the expenses of the corporation and the costs resulting from any contract or contracts entered into for promotional, advertising or operational services or for the purchase or lease of lottery equipment and materials, which in no case shall exceed fifteen percent (15%) of the total gross revenues accruing from the sale of lottery tickets. However, this restriction shall not apply until after the first twelve (12) months of revenue generation.

(2) A Lottery Proceeds Fund is hereby established in the State Treasury. Net proceeds shall be deposited into this fund as provided in subsection (1) of this section. Monies deposited into
the Lottery Proceeds Fund shall be invested by the state in accordance with state investment practices, and all earnings from such investments shall accrue to this account. No monies shall be allotted or expended from this account unless pursuant to a warrant issued as provided under Section 27-115-85.

SECTION 2. Section 55-3-41, Mississippi Code of 1972, is amended as follows:

55-3-41. A fund to be known as "Mississippi Park Fund" is hereby established in the State Treasury, and all funds held in the "Mississippi Park System Fund" shall be transferred thereto.

Funds collected by the department, and funds transferred in accordance with Section 27-115-51, shall be deposited in the State Treasury to the credit of the fund. The interest from the Mississippi Park Fund earned from any investment or deposit made pursuant to Section 27-105-33, Mississippi Code of 1972, shall be credited to the Mississippi Park Fund by the treasurer. Expenditures shall be made from the fund upon requisition signed by the executive director, or by a person whom the executive director may designate and the State Fiscal Officer shall issue his warrant on the State Treasury payable out of the Mississippi Park Fund. All funds in the Mississippi Park Fund shall be expended only pursuant to appropriation approved by the Legislature and as provided by law.

SECTION 3. This act shall take effect and be in force from and after July 1, 2021.