

By: Representatives Banks, Crudup

To: Gaming; Appropriations

HOUSE BILL NO. 1262

1 AN ACT TO AUTHORIZE SKILL TERMINAL DEVICES AT TRUCK STOP
2 FACILITIES; TO PROVIDE THAT THE PROVISIONS OF THE ACT SHALL BE
3 ADMINISTERED BY THE MISSISSIPPI LOTTERY CORPORATION; TO DEFINE
4 CERTAIN TERMS FOR THE PURPOSES OF THE ACT; TO PROVIDE THAT THE
5 CORPORATION MAY AUTHORIZE SKILL TERMINAL DEVICES TO BE LOCATED AND
6 OPERATED IN THE STATE SUBJECT TO CERTAIN LIMITATIONS; TO PROVIDE
7 THAT SKILL TERMINAL DEVICES MAY ONLY BE AUTHORIZED IN LICENSED
8 QUALIFIED TRUCK STOP FACILITIES AND NOT MORE THAN TEN SKILL
9 TERMINAL DEVICES MAY BE LOCATED ON THE PREMISES OF ANY LICENSED
10 QUALIFIED TRUCK STOP FACILITY; TO PROVIDE THAT DEVICE OPERATORS
11 AND HOST LOCATIONS SHALL BE REQUIRED TO APPLY FOR AND OBTAIN A
12 LICENSE FROM THE CORPORATION BEFORE A SKILL TERMINAL DEVICE MAY BE
13 PLACED AND OPERATED ON THE PREMISES OF A HOST LOCATION; TO
14 AUTHORIZE THE BOARD OF DIRECTORS OF THE CORPORATION TO ADOPT
15 REGULATIONS NECESSARY TO CARRY OUT THE PROVISIONS OF THIS ACT; TO
16 PROVIDE FOR THE ISSUANCE OF LICENSES AS DEVICE OPERATORS, HOST
17 LOCATIONS AND MANUFACTURERS/DISTRIBUTORS BY THE CORPORATION; TO
18 SPECIFY THE QUALIFICATIONS FOR APPLICANTS TO RECEIVE THOSE
19 LICENSES; TO PRESCRIBE THE FEES TO BE CHARGED FOR APPLICATIONS AND
20 LICENSES ISSUED UNDER THIS ACT; TO REQUIRE WRITTEN AGREEMENTS
21 BETWEEN MANUFACTURERS/DISTRIBUTORS AND DEVICE OPERATORS AND
22 BETWEEN DEVICE OPERATORS AND HOST LOCATIONS BEFORE SKILL TERMINAL
23 DEVICES MAY BE DISTRIBUTED TO DEVICE OPERATORS AND LOCATED AT HOST
24 LOCATIONS; TO PROVIDE FOR THE ALLOCATION OF GROSS DEVICE REVENUES
25 BETWEEN THE HOST LOCATION LICENSEE, DEVICE OPERATOR LICENSEE AND
26 MANUFACTURER/DISTRIBUTOR LICENSEE; TO SPECIFY CERTAIN REQUIREMENTS
27 THAT MUST BE MET BY SKILL TERMINAL DEVICES BEFORE THEY MAY BE
28 OFFERED FOR PLAY; TO PROVIDE FOR CIVIL AND CRIMINAL PENALTIES FOR
29 VIOLATIONS OF THIS ACT; TO AMEND SECTION 27-115-5, MISSISSIPPI
30 CODE OF 1972, TO CLARIFY THAT NOTHING IN THIS ACT SHALL BE DEEMED
31 A VIDEO LOTTERY OR VIDEO LOTTERY DEVICE UNDER THE ALYCE G. CLARKE
32 MISSISSIPPI LOTTERY LAW; TO AMEND SECTION 75-76-5, MISSISSIPPI
33 CODE OF 1972, TO CLARIFY THAT NOTHING IN THIS ACT SHALL BE DEEMED
34 A GAME, GAMBLING GAME OR GAMBLING DEVICE UNDER THE MISSISSIPPI



35 GAMING CONTROL ACT; TO AMEND SECTIONS 67-1-71, 97-33-9, 97-33-11,
36 97-33-13, 97-33-21, 97-33-23 AND 97-33-49, MISSISSIPPI CODE OF
37 1972, TO CONFORM TO THE PRECEDING PROVISIONS; TO AMEND SECTION
38 75-76-177, MISSISSIPPI CODE OF 1972, TO REDUCE THE PERCENTAGE OF
39 THE LICENSE FEE IMPOSED UPON GAMING LICENSEES BASED UPON THE
40 MONTHLY GROSS REVENUE OF THE LICENSEE; TO AMEND SECTION 75-76-129,
41 MISSISSIPPI CODE OF 1972, TO CONFORM TO THE PRECEDING PROVISION;
42 AND FOR RELATED PURPOSES.

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

44 **SECTION 1.** The provisions of this chapter shall be
45 administered by the Mississippi Lottery Corporation for the
46 protection of the public and in the public interest in accordance
47 with the policy of this state.

48 **SECTION 2.** As used in this chapter, the following terms
49 shall be defined as provided in this section, unless the context
50 clearly indicates otherwise:

51 (a) "Corporation" means the Mississippi Lottery
52 Corporation.

53 (b) "Device operator" means a person that owns,
54 services or maintains skill terminal devices for placement and
55 operation on the premises of a host location licensee.

56 (c) "Gross device revenue" means the total of cash or
57 cash equivalents received by a skill terminal device minus the
58 total of cash or cash equivalents paid out to players as a result
59 of playing a skill terminal device.

60 (d) "Host location" means a qualified truck stop
61 facility.

62 (e) "Manufacturer/distributor" means a person that
63 manufactures or distributes skill terminal devices.



64 (f) "Person" has the same meaning as defined in Section
65 27-115-5.

66 (g) "Qualified truck stop facility" means a premise
67 that:

68 (i) Is equipped with diesel islands used for
69 fueling commercial motor vehicles;

70 (ii) Has sold an average of twenty five thousand
71 (25,000) gallons of diesel or biodiesel fuel each month for the
72 previous twelve (12) months or is projected to sell an average of
73 twenty-five thousand (25,000) gallons of diesel or biodiesel fuel
74 each month for the next twelve (12) months;

75 (iii) Has parking spaces dedicated for commercial
76 motor vehicles;

77 (iv) Has a convenience store; and

78 (v) Is situated on a parcel of land not less than
79 three (3) acres.

80 (h) "Skill terminal device" means a game system with
81 game software (i) in which the outcome is based on an individual's
82 use of strategy and skill rather than any inherent element of
83 chance; (ii) in which, when the rules of the game involve
84 presenting a challenge to the player that cannot be skipped to
85 proceed, the game must allow the player to preview the unsolved
86 challenge free of charge and before any financial
87 commitment; (iii) that enables a player to preview the next game
88 outcome without consideration; (iv) that is such that the general



89 public can learn to score and win prizes; and (v) in which, if a
90 player has the ability, on every play, the player may win more
91 prize money than the player spent to initiate a single game play.
92 The term does not include any device authorized to be used in the
93 conducting of charitable gaming.

94 **SECTION 3.** The corporation may authorize skill terminal
95 devices in this state subject to the following limitations:

96 (a) Skill terminal devices may only be authorized in
97 licensed qualified truck stop facilities; and

98 (b) Not more than ten (10) skill terminal devices may
99 be located on the premises of any licensed qualified truck stop
100 facility.

101 **SECTION 4.** (1) A device operator and a host location shall
102 be required to apply for and obtain a license from the corporation
103 before a skill terminal device may be placed and operated on the
104 premises of a host location.

105 (2) The corporation and its agents may:

106 (a) Inspect and examine all premises of host locations
107 licensed under this chapter.

108 (b) Inspect all equipment and supplies in, upon or
109 about those premises.

110 (c) Summarily seize and remove from those premises and
111 impound any equipment or supplies for the purpose of examination
112 and inspection.



113 (d) Demand access to and inspect, examine, photocopy
114 and audit all papers, books and records of applicants and
115 licensees, on their premises, or elsewhere as practicable, and in
116 the presence of the licensee or his agent, respecting all matters
117 affecting the enforcement of the policy or any of the provisions
118 of this chapter.

119 (3) For the purpose of conducting audits after the cessation
120 of operations by a licensee, the former licensee shall furnish,
121 upon demand of an agent of the corporation, books, papers and
122 records as necessary to conduct the audits. The former licensee
123 shall maintain all books, papers and records necessary for audits
124 for a period of one (1) year after the date of the surrender or
125 revocation of his or her license. If the former licensee seeks
126 judicial review of a deficiency determination or files a petition
127 for a redetermination, he or she must maintain all books, papers
128 and records until a final order is entered on the determination.

129 (4) The corporation may investigate, for the purpose of
130 prosecution, any suspected criminal violation of the provisions of
131 this chapter.

132 (5) The corporation, or members of the board of directors,
133 have full power and authority to issue subpoenas and compel the
134 attendance of witnesses at any place within this state, to
135 administer oaths and to require testimony under oath. Any process
136 or notice may be served in the manner provided for service of
137 process and notices in civil actions. The corporation may pay



138 such transportation and other expense of witnesses as it may deem
139 reasonable and proper. Any person making false oath in any matter
140 before the corporation is guilty of perjury. The corporation, or
141 any member of the board of directors, may appoint hearing
142 examiners who may administer oaths and receive evidence and
143 testimony under oath.

144 **SECTION 5.** (1) The board of directors of the corporation
145 shall, from time to time, adopt, amend or repeal such regulations,
146 consistent with the policy, objects and purposes of this chapter
147 as it may deem necessary or desirable in the public interest in
148 carrying out the policy and provisions of this chapter.

149 (2) These regulations shall, without limiting the general
150 powers conferred in this chapter, include the following:

151 (a) Prescribing the method and form of application that
152 any applicant for a license must follow and complete before
153 consideration of his application by the corporation.

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

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

160 (d) Requiring fingerprinting of an applicant or
161 licensee, or other methods of identification for such persons.



162 (e) Prescribing the manner and procedure of all
163 hearings conducted by the corporation or any hearing examiner of
164 the corporation, including special rules of evidence applicable
165 thereto and notices thereof.

166 (f) Requiring any applicant to pay all or any part of
167 the fees and costs of investigation of the applicant as may be
168 determined by the corporation.

169 (g) Prescribing the manner and method of collection and
170 payment of fees and issuance of licenses.

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

173 (i) Requiring any applicant or licensee to waive any
174 privilege with respect to any testimony at any hearing or meeting
175 of the corporation, except any privilege afforded by the
176 Constitution of the United States or this state.

177 (j) Requiring that any licensee or owner of ten percent
178 (10%) or more of the operation shall not sell all or part of his
179 or her ownership to a purchasing party until the purchasing party
180 has met the requirements of this chapter.

181 (k) Requiring that host location licensees shall not
182 advertise themselves as casinos.

183 **SECTION 6.** (1) Any person who the corporation determines is
184 qualified to receive a license or is found suitable under the
185 provisions of this chapter, having due consideration for the
186 proper protection of the health, safety, morals, good order and



187 general welfare of the inhabitants of the State of Mississippi and
188 the declared policy of this state, may be issued a license as a
189 device operator, host location or manufacturer/distributor;
190 however, the burden of proving his or her qualification to receive
191 any license or be found suitable is on the applicant.

192 (2) An application to receive a license shall not be granted
193 unless the corporation is satisfied that the applicant is:

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

195 (b) A person whose prior activities, criminal record,
196 if any, reputation, habits and associations do not pose a threat
197 to the public interest of this state or to the effective
198 regulation and control of a licensed host location, or create or
199 enhance the dangers of unsuitable, unfair or illegal practices,
200 methods and activities in the operation of skill terminal devices
201 at a licensed host location, or the carrying on of the business
202 and financial arrangements incidental thereto; and

203 (c) In all other respects qualified to be licensed or
204 found suitable consistently with the declared policy of the state.

205 **SECTION 7.** (1) The corporation shall evaluate and consider
206 any application for a license as a device operator, host location
207 or manufacturer/distributor under this section.

208 (2) The corporation may:

209 (a) Deny the application;

210 (b) Remand the matter for such further investigation
211 and reconsideration as the corporation may order; or



212 (c) By majority vote of the members of the board of
213 directors who are present, grant the application for a license.
214 For the purposes of this section, a tie vote of the members of the
215 board upon an application does not constitute a recommendation of
216 denial of the application.

217 (3) The license granted under this chapter is specific to
218 the applicant. A licensee may not transfer its license, or assign
219 responsibility for compliance with the conditions of its license,
220 to any party, including a transfer of effective control of the
221 licensee, without approval by the corporation.

222 (4) If the corporation is not satisfied that an applicant is
223 qualified to be licensed under this chapter, the corporation may
224 cause to be made such investigation into and conduct such hearings
225 concerning the qualifications of the applicant in accordance with
226 its regulations as it may deem necessary.

227 (5) If the corporation desires further investigation be made
228 or to conduct any hearings, it shall so notify the applicant and
229 set a date for hearing, if a hearing is requested by the
230 applicant.

231 (6) The corporation has full and absolute power and
232 authority to deny any application for any cause it deems
233 reasonable. If an application is denied, the corporation shall
234 prepare and file its written decision upon which its order denying
235 the application is based. The applicant may file with the
236 corporation a written response to the denial of the application



237 within forty-five (45) days from the date of the denial, and the
238 corporation shall respond to the applicant within thirty (30) days
239 after receipt of the applicant's response.

240 **SECTION 8.** (1) If it is satisfied that an applicant is
241 eligible to receive a license as a device operator, host location
242 or manufacturer/distributor, and upon tender of all license fees
243 as required by law or regulation of the corporation and the
244 faithful performance of all requirements imposed by law or
245 regulation or the conditions of the license, the corporation shall
246 issue to the applicant named, under the name or style designated,
247 such license as may be appropriate or as is provided by law.

248 (2) No person who has been issued a device operator license
249 shall be issued a manufacturer/distributor license or host
250 location license, or have any interest in a
251 manufacturer/distributor licensee or host location licensee.

252 (3) No person who has been issued a host location license
253 shall be issued a manufacturer/distributor license or device
254 operator license, or have any interest in a
255 manufacturer/distributor licensee or device operator licensee.

256 (4) No person who has been issued a manufacturer/distributor
257 license shall be issued a device operator license or host location
258 license, or have any interest in a device operator licensee or
259 host location licensee.



260 (5) For purposes of this section, "interest" means an equity
261 ownership interest or a partial equity ownership interest or any
262 other type of financial interest, including being an investor.

263 **SECTION 9.** (1) Within ninety (90) days after the effective
264 date of this act, the corporation shall make applications for
265 device operator licenses, host location licenses and
266 manufacturer/distributor licenses available to applicants.

267 (2) The corporation shall issue a conditional license to an
268 applicant for a device operator license, host location license or
269 manufacturer/distributor license if the applicant satisfies, as
270 determined by the corporation, all of the following criteria:

271 (a) The applicant has never been convicted of a felony
272 in any jurisdiction.

273 (b) The applicant is current on all state taxes.

274 (c) The applicant has submitted a completed application
275 for a device operator license, host location license or
276 manufacturer/distributor license in accordance with this chapter,
277 which may be submitted concurrently with the applicant's request
278 for a conditional license.

279 (3) The corporation shall issue a conditional license to an
280 applicant for a device operator license, host location license or
281 manufacturer/distributor license within sixty (60) days after the
282 completed application has been received by the corporation,
283 provided that the corporation determines that the criteria
284 contained in subsection (2) of this section have been satisfied.



285 **SECTION 10.** (1) The corporation shall charge and collect
286 the following fees for applications and licenses under this
287 chapter:

- 288 (a) Device operator license:
 - 289 (i) Application fee.....\$2,000.00
 - 290 (ii) Initial license fee.....\$500.00
 - 291 (iii) Renewal license fee.....\$250.00
- 292 (b) Host location license:
 - 293 (i) Application fee.....\$250.00
 - 294 (ii) Initial license fee.....\$250.00
 - 295 (iii) Renewal license fee.....\$250.00
- 296 (c) Manufacturer/distributor license:
 - 297 (i) Application fee.....\$3,000.00
 - 298 (ii) Initial license fee.....\$1,000.00
 - 299 (iii) Renewal license fee.....\$1,000.00

300 (2) In addition to the fees prescribed in subsection (1) of
301 this section, the corporation shall charge and collect from each
302 licensed device operator an annual fee of Two Hundred Fifty
303 Dollars (\$250.00) for each skill terminal device operated by the
304 licensee.

305 (3) All fees charged and collected under this section are a
306 non-refundable expense to any applicant or licensee.

307 **SECTION 11.** (1) No manufacturer/distributor may distribute
308 a skill terminal device to a device operator licensee unless the
309 manufacturer/distributor licensee and the device operator licensee



310 have entered into a written agreement that sets forth the terms
311 and conditions of those devices. A copy of the written agreement
312 shall be maintained in the business office of the
313 manufacturer/distributor licensee and the device operator
314 licensee.

315 (2) No device operator licensee may place or maintain a
316 skill terminal device on the premises of a licensed host location
317 unless the device operator licensee and the host location licensee
318 have entered into a written agreement that sets forth the terms
319 and conditions for the placement and maintenance of those devices.
320 A copy of the written agreement shall be maintained in the
321 business office of the device operator licensee and the host
322 location licensee.

323 (3) The written agreements shall be valid for a minimum of
324 three (3) years.

325 (4) The written agreements between the
326 manufacturer/distributor licensee and the device operator
327 licensee, and between the device operator licensee and the host
328 location licensee shall establish the allocation of all gross
329 device revenue from the play of skill terminal devices.

330 (5) Any agreement described under this section that was
331 executed before the effective date of this act shall be null and
332 void. However, agreements that are expressly conditioned upon
333 both parties becoming licensed shall be valid, so long as and
334 effective at the time that, both parties are ultimately licensed.



335 (6) The written agreement between the
336 manufacturer/distributor licensees and its associated device
337 operator licensees and host location licensees shall provide for
338 the following allocation of gross device revenues:

339 (a) The host location licensee shall receive
340 twenty-four percent (24%) of the gross device revenue received
341 from the play of skill terminal devices at its location.

342 (b) The device operator licensee shall receive
343 twenty-four percent (24%) of the gross device revenue received
344 from the play of skill terminal devices; and

345 (c) The manufacturer/distributor shall receive
346 twenty-nine percent (29%) of the gross device revenue received
347 from the skill terminal devices that the manufacturer/distributor
348 has manufactured and distributed to device operator licensees.

349 **SECTION 12.** (1) No skill terminal device shall be offered
350 for play by the public unless the device has first been approved
351 by the corporation.

352 (2) Before selling, leasing, or otherwise providing a skill
353 terminal device to a device operator, a manufacturer/distributor
354 shall provide a prototype or production sample of the device to an
355 independent testing laboratory that has been approved by the
356 corporation, which shall evaluate and certify whether the device
357 meets the definition of a skill terminal device under this
358 chapter.



359 **SECTION 13.** (1) Along with the prototype or production
360 sample of the skill terminal device, the manufacturer/distributor
361 shall provide the following information to the independent testing
362 laboratory, to the extent applicable:

- 363 (a) The method of determining the game outcome;
364 (b) The available play denominations;
365 (c) The minimum play amount;
366 (d) The maximum play amount; and
367 (e) Any other information requested by the independent
368 testing laboratory or required by the corporation for use in the
369 testing of the device.

370 (2) The report of the independent testing laboratory shall
371 be submitted by the manufacturer/distributor to the corporation.
372 The corporation shall use the report in evaluating whether the
373 skill terminal device will be approved under chapter.

374 (3) If at any time a manufacturer makes a substantive change
375 to any skill terminal device that has previously been approved by
376 the corporation, the manufacturer shall resubmit the skill
377 terminal device to the corporation in a manner prescribed by
378 regulation of the corporation.

379 **SECTION 14.** In addition to any other requirements
380 established for skill terminal devices, the devices must:

- 381 (a) Show the rules of play for each game in a way that
382 adequately describes or displays such information so that a
383 reasonable person could understand the game before playing it;



384 (b) Clearly indicate that the outcome of the game is
385 affected by skill;

386 (c) Accept cash, game credits, or player credits;

387 (d) Prohibit the modification of the rules of play for
388 a game, including the probability and award of a game outcome,
389 once a game is initiated;

390 (e) Prohibit the remote modification or manipulation of
391 games;

392 (f) Pay out no more than Five Thousand Dollars
393 (\$5,000.00) in winnings for a single play of a game;

394 (g) Be designed such that power and data cables into
395 and out of the game are routed so that they are not accessible by
396 the general public;

397 (h) Have an identification badge affixed to the
398 exterior of the game by the manufacturer that is not removable
399 without leaving evidence of tampering. Such badge shall include
400 the following information:

401 (i) The name of the manufacturer;

402 (ii) A unique serial number;

403 (iii) The game model number; and

404 (iv) The date of manufacture;

405 (i) Be constructed of materials that are designed to
406 allow only authorized access to the interior of the game. Those
407 materials shall be designed to show evidence of tampering if
408 unauthorized access does occur;



409 (j) Have a currency storage area that is secured by two
410 (2) locks before the currency can be removed and that is only
411 accessible by the device operator licensee and/or the host
412 location licensee;

413 (k) Make payments to successful players by issuing a
414 bearer scrip that can be redeemed for cash only at the host
415 location; and

416 (l) Have the ability to allow for an independent
417 integrity check by an independent testing laboratory approved by
418 the corporation of all software that may affect the integrity of
419 the game.

420 **SECTION 15.** (1) Each skill terminal device shall be tested
421 by an independent testing laboratory approved by the corporation
422 to ensure its integrity and proper working order. This evaluation
423 shall include a review of installed software periodically within a
424 timeframe established by the corporation. The independent testing
425 laboratory's software may be embedded within the game software,
426 use an interface port to communicate with the device, or require
427 the removal of device media for external verification.

428 (2) The manufacturer/distributor licensee shall pay the cost
429 of the independent testing laboratory's review and testing, and
430 the reports of the same shall be delivered to the licensee and the
431 corporation.

432 **SECTION 16.** Each skill terminal device being operated shall
433 be connected to an online data collection and control system



434 established and accessible by the corporation. The online data
435 collection and control system shall collect the following
436 information from each electronic gaming device: (a) cash in, (b)
437 payouts, (c) points played, (d) points won, (e) gross terminal
438 income, (f) net terminal income, (g) the number of plays of the
439 game, (h) the amounts paid to play the game, (i) all taxes accrued
440 and paid, and (j) any other information required by regulations of
441 the corporation.

442 **SECTION 17.** (1) Each manufacturer/distributor licensee
443 shall:

444 (a) Monitor and manage all market activities of the
445 device operator and host location licensees with which the
446 manufacturer/distributor has entered into a written agreement
447 pursuant to Section 11 of this act.

448 (b) Report such information as required by the
449 regulations of the corporation on behalf of all such licensees.

450 (2) No device operator licensee shall place or maintain a
451 skill terminal device at any establishment where it is offered to
452 the public for play for a charge, directly or indirectly, unless
453 the establishment is a licensed host location.

454 (3) Each device operator licensee that places or maintains a
455 skill terminal device at any host location where it is offered to
456 the public for play for a charge, directly or indirectly, shall
457 submit or confirm a report to the corporation, on a frequency
458 established by the corporation, detailing:



459 (a) The gross device revenue of each skill terminal
460 device that the device operator owns and maintains; and

461 (b) The gross profits of each skill terminal device
462 that the device operator owns and maintains.

463 **SECTION 18.** (1) No host location licensee shall allow a
464 skill terminal device to be placed upon the premises of the
465 licensee's establishment unless the device is owned or leased and
466 maintained by a manufacturer/distributor licensee or a device
467 operator licensee.

468 (2) The primary business of a host location licensee shall
469 not be the offering for play of skill terminal devices.

470 (3) No host location licensee shall offer more than ten (10)
471 skill terminal devices to the public for play at the establishment
472 of the host location licensee.

473 (4) Each host location licensee shall submit or confirm a
474 report to the corporation, on a frequency established by the
475 corporation, detailing:

476 (a) The gross receipts of the location;

477 (b) The gross device revenue of each skill terminal
478 device; and

479 (c) The gross profits of each skill terminal device.

480 (5) All host location licensees and all players of skill
481 terminal devices at licensed host locations must follow the
482 standards for responsible gaming prescribed by regulations of the
483 corporation.



484 **SECTION 19.** (1) Except as otherwise authorized in
485 subsection (3) of this section, no host location licensee shall
486 request, demand, or accept anything of value, including a loan or
487 financing arrangement, gift, procurement fee, lease payments,
488 revenue sharing, or payment of license fees or permit fees, from a
489 manufacturer/distributor or device operator as an incentive,
490 inducement, or any other consideration to locate skill terminal
491 devices in the establishment of the host location licensee.

492 (2) No manufacturer/distributor or device operator shall
493 provide anything of value, including, but not limited to, a loan
494 or financing arrangement, gift, procurement fee, lease payments,
495 revenue sharing, or payment of license fees or permit fees, to a
496 host location licensee as an incentive, inducement or any other
497 consideration to locate skill terminal devices in the
498 establishment of the host location licensee.

499 (3) A device operator licensee that has a written agreement
500 with a host location licensee to place or maintain skill terminal
501 devices on the premises of the licensed host location may make
502 improvements to the room of the host location where the skill
503 terminal devices are located or to be located, and the device
504 operator licensee and the host location licensee may share the
505 costs of making those improvements, and such sharing of the costs
506 is not a violation of this section.

507 (4) Any host location licensee or manufacturer/distributor
508 licensee that is found by the corporation to have engaged in



509 conduct prohibited by this section shall be subject to a fine of
510 up to Fifty Thousand Dollars (\$50,000.00) per incident and license
511 revocation for up to five (5) years per incident.

512 **SECTION 20.** (1) If the corporation determines that a
513 licensee has not complied with or has violated any provision of
514 this chapter or any regulation of the corporation, the corporation
515 may, with at least fifteen (15) days' notice and a hearing, (a)
516 assess a civil penalty against the licensee in a sum not to exceed
517 Twenty-five Thousand Dollars (\$25,000.00) and (b) suspend or
518 revoke the license of the licensee. If any license is suspended
519 or revoked, the corporation shall state its reasons for doing so,
520 which shall be entered of record.

521 (2) Any person aggrieved by a refusal of the corporation to
522 issue any license, the suspension or revocation of a license, the
523 imposition of a fine, or any other action of the corporation may
524 seek review of such action.

525 (3) Suspension or revocation of a license by the corporation
526 for any violation shall not preclude criminal liability for that
527 violation.

528 **SECTION 21.** Any person who violates any provision of this
529 chapter is guilty of a misdemeanor and, upon conviction thereof,
530 shall be punished by a fine of not more than Five Thousand Dollars
531 (\$5,000.00), or by confinement in the county jail or not more than
532 six (6) months, or by both fine and imprisonment.



533 **SECTION 22.** Section 27-115-5, Mississippi Code of 1972, is
534 amended as follows:

535 27-115-5. As used in this chapter, the following words and
536 phrases shall have the following meanings unless the context
537 clearly requires otherwise:

538 (a) "Corporation" means the Mississippi Lottery
539 Corporation.

540 (b) "Lottery" means any game of chance approved by the
541 corporation and operated pursuant to this chapter, which utilizes
542 the sale of paper tickets for various intrastate and multistate or
543 multisovereign lottery games (such as Pick-3, Pick-4, Mega
544 Millions, Powerball), and "instant tickets" as defined, but
545 specifically excluding any form of "video lottery" or use of
546 "video lottery terminal" as defined.

547 (c) "Major procurement" means any item, product or
548 service in the amount of One Million Dollars (\$1,000,000.00) or
549 more, including, but not limited to, major advertising contracts,
550 annuity contracts, prizes, products, and services unique to the
551 Mississippi lottery.

552 (d) "Net proceeds" means gross lottery revenues minus
553 amounts paid as prizes and expenses of operation of the lottery.

554 (e) "Person" means any individual, corporation,
555 partnership, unincorporated association or other legal entity.



556 (f) "President" means the President of the Mississippi
557 Lottery Corporation, who shall also serve as chief executive
558 officer of the corporation.

559 (g) "Retailer" means any person with whom the
560 corporation has contracted to sell lottery tickets to the public.

561 (h) "Security" means the protection of information that
562 would provide an unfair advantage to any individual involved in
563 the operation of the lottery, protection and preservation of the
564 integrity of lottery games and operations, as well as measures
565 taken to prevent crimes against the corporation and its retailers.

566 (i) "Vendor" means any person who has entered into a
567 contract with the corporation.

568 (j) "Fiscal year" means the fiscal year used by the
569 State of Mississippi government.

570 (k) "Board" means the Mississippi Lottery Corporation
571 Board of Directors.

572 (l) "Instant ticket" means a lottery game in which a
573 player scratches a coating from one or more play areas on a ticket
574 to determine if he or she has won, as indicated by the symbols and
575 words that are revealed.

576 (m) "Video lottery" and "video lottery terminal" means
577 any electronic interactive computerized game machine or device
578 equipped with a video screen and buttons, keys, a keyboard,
579 touchscreen or other input device allowing input by an individual
580 player and into which the player inserts coins, tokens, currency



581 or other representation of value (including, but not limited to,
582 an electronic card, ticket or other thing on which value is
583 recorded electronically) as consideration in order for play of a
584 game to be available, and through which, as a result of the play
585 of a game, the player may receive free games, credits redeemable
586 for cash or a noncash prize, or some other thing of value, whether
587 or not received directly from the device, or nothing, determined
588 wholly or predominantly by chance. As used in this chapter, the
589 terms "video lottery" and "video lottery device" shall not apply
590 to any skill terminal device authorized under this act.

591 **SECTION 23.** Section 75-76-5, Mississippi Code of 1972, is
592 amended as follows:

593 75-76-5. As used in this chapter, unless the context
594 requires otherwise:

595 (a) "Applicant" means any person who has applied for or
596 is about to apply for a state gaming license, registration or
597 finding of suitability under the provisions of this chapter or
598 approval of any act or transaction for which approval is required
599 or permitted under the provisions of this chapter.

600 (b) "Application" means a request for the issuance of a
601 state gaming license, registration or finding of suitability under
602 the provisions of this chapter or for approval of any act or
603 transaction for which approval is required or permitted under the
604 provisions of this chapter but does not include any supplemental
605 forms or information that may be required with the application.



606 (c) "Associated equipment" means any equipment or
607 mechanical, electromechanical or electronic contrivance, component
608 or machine used remotely or directly in connection with gaming or
609 with any game, race book or sports pool that would not otherwise
610 be classified as a gaming device, including dice, playing cards,
611 links which connect to progressive slot machines, equipment which
612 affects the proper reporting of gross revenue, computerized
613 systems of betting at a race book or sports pool, computerized
614 systems for monitoring slot machines, and devices for weighing or
615 counting money.

616 (d) "Chairman" means the Chairman of the Mississippi
617 Gaming Commission except when used in the term "Chairman of the
618 State Tax Commission." "Chairman of the State Tax Commission" or
619 "commissioner" means the Commissioner of Revenue of the Department
620 of Revenue.

621 (e) "Commission" or "Mississippi Gaming Commission"
622 means the Mississippi Gaming Commission.

623 (f) "Commission member" means a member of the
624 Mississippi Gaming Commission.

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



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

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

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

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

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



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

656 (m) "Gaming device" means any mechanical,
657 electromechanical or electronic contrivance, component or machine
658 used in connection with gaming or any game which affects the
659 result of a wager by determining win or loss. The term includes a
660 system for processing information which can alter the normal
661 criteria of random selection, which affects the operation of any
662 game, or which determines the outcome of a game. The term does
663 not include a system or device which affects a game solely by
664 stopping its operation so that the outcome remains
665 undetermined, * * * does not include any antique coin machine as
666 defined in Section 27-27-12, and does not include any skill
667 terminal device authorized under this act.

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

- 671 (i) Boxmen;
672 (ii) Cashiers;
673 (iii) Change personnel;
674 (iv) Counting room personnel;
675 (v) Dealers;
676 (vi) Floormen;



- 677 (vii) Hosts or other persons empowered to extend
678 credit or complimentary services;
- 679 (viii) Keno runners;
- 680 (ix) Keno writers;
- 681 (x) Machine mechanics;
- 682 (xi) Security personnel;
- 683 (xii) Shift or pit bosses;
- 684 (xiii) Shills;
- 685 (xiv) Supervisors or managers; and
- 686 (xv) Ticket writers.

687 The term "gaming employee" also includes employees of
688 manufacturers or distributors of gaming equipment within this
689 state whose duties are directly involved with the manufacture,
690 repair or distribution of gaming equipment.

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

694 (o) "Gaming license" means any license issued by the
695 state which authorizes the person named therein to engage in
696 gaming.

697 (p) "Gross revenue" means the total of all of the
698 following, less the total of all cash paid out as losses to
699 patrons and those amounts paid to purchase annuities to fund
700 losses paid to patrons over several years by independent financial
701 institutions:



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

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

710 The term does not include:

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

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

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

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



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

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

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

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

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

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

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

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

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



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

754 (dd) "Regulation" means a rule, standard, directive or
755 statement of general applicability which effectuates law or policy
756 or which describes the procedure or requirements for practicing
757 before the commission. The term includes a proposed regulation
758 and the amendment or repeal of a prior regulation but does not
759 include:

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

763 (ii) A declaratory ruling;

764 (iii) An interagency memorandum;

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

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

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

771 (ff) "Slot machine" means any mechanical, electrical or
772 other device, contrivance or machine which, upon insertion of a
773 coin, token or similar object, or upon payment of any
774 consideration, is available to play or operate, the play or
775 operation of which, whether by reason of the skill of the operator



776 or application of the element of chance, or both, may deliver or
777 entitle the person playing or operating the machine to receive
778 cash, premiums, merchandise, tokens or anything of value, whether
779 the payoff is made automatically from the machine or in any other
780 manner. The term does not include any antique coin machine as
781 defined in Section 27-27-12.

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

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

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

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

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



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

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

804 (i) The rules of a game; or

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

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

813 **SECTION 24.** Section 67-1-71, Mississippi Code of 1972, is
814 amended as follows:

815 67-1-71. The department may revoke or suspend any permit
816 issued by it for a violation by the permittee of any of the
817 provisions of this chapter or of the regulations promulgated under
818 it by the department.

819 Permits must be revoked or suspended for the following
820 causes:

821 (a) Conviction of the permittee for the violation of
822 any of the provisions of this chapter;



823 (b) Willful failure or refusal by any permittee to
824 comply with any of the provisions of this chapter or of any rule
825 or regulation adopted pursuant thereto;

826 (c) The making of any materially false statement in any
827 application for a permit;

828 (d) Conviction of one or more of the clerks, agents or
829 employees of the permittee, of any violation of this chapter upon
830 the premises covered by such permit within a period of time as
831 designated by the rules or regulations of the department;

832 (e) The possession on the premises of any retail
833 permittee of any alcoholic beverages upon which the tax has not
834 been paid;

835 (f) The willful failure of any permittee to keep the
836 records or make the reports required by this chapter, or to allow
837 an inspection of such records by any duly authorized person;

838 (g) The suspension or revocation of a permit issued to
839 the permittee by the federal government, or conviction of
840 violating any federal law relating to alcoholic beverages;

841 (h) The failure to furnish any bond required by Section
842 27-71-21 within fifteen (15) days after notice from the
843 department; and

844 (i) The conducting of any form of illegal gambling on
845 the premises of any permittee or on any premises connected
846 therewith or the presence on any such premises of any gambling
847 device with the knowledge of the permittee.



848 The provisions of paragraph (i) of this section shall not
849 apply to gambling or the presence of any gambling devices, with
850 knowledge of the permittee, on board a cruise vessel in the waters
851 within the State of Mississippi, which lie adjacent to the State
852 of Mississippi south of the three (3) most southern counties in
853 the State of Mississippi, or on any vessel as defined in Section
854 27-109-1 whenever such vessel is on the Mississippi River or
855 navigable waters within any county bordering on the Mississippi
856 River. The department may, in its discretion, issue on-premises
857 retailer's permits to a common carrier of the nature described in
858 this paragraph.

859 The provisions of paragraph (i) of this section shall not
860 apply to the operation of any game or lottery authorized by
861 Chapter 115, Title 27, or to the operation of any skill terminal
862 device authorized under this act.

863 No permit shall be suspended or revoked until after the
864 permittee has been provided reasonable notice of the charges
865 against him for which suspension or revocation is sought and the
866 opportunity to a hearing before the Board of Tax Appeals to
867 contest such charges and the suspension or revocation proposed.
868 Opportunity to a hearing is provided without an actual hearing if
869 the permittee, after receiving reasonable notice, including notice
870 of his right to a hearing, fails to timely request a hearing. The
871 permittee may also at any time waive his rights to reasonable
872 notice and/or to the opportunity to a hearing by agreeing to a



873 suspension or revocation offered by the department.
874 Notwithstanding the requirement above that a permit may not be
875 suspended without notice and opportunity to a hearing, sales of
876 alcoholic beverages by a permittee under a permit for which the
877 bond under Section 27-71-21 has been cancelled shall be suspended
878 from and after issuance of the notice provided in paragraph (h)
879 above and shall continue to be suspended until the bond is
880 reinstated, a new bond is posted or sufficient cash or securities
881 as provided under Section 27-71-21 are deposited with the State
882 Treasurer for this permit.

883 In addition to the causes specified in this section and other
884 provisions of this chapter, the department shall be authorized to
885 suspend the permit of any permit holder for being out of
886 compliance with an order for support, as defined in Section
887 93-11-153. The procedure for suspension of a permit for being out
888 of compliance with an order for support, and the procedure for the
889 reissuance or reinstatement of a permit suspended for that
890 purpose, and the payment of any fees for the reissuance or
891 reinstatement of a permit suspended for that purpose, shall be
892 governed by Section 93-11-157 or 93-11-163, as the case may be.
893 If there is any conflict between any provision of Section
894 93-11-157 or 93-11-163 and any provision of this chapter, the
895 provisions of Section 93-11-157 or 93-11-163, as the case may be,
896 shall control.



897 **SECTION 25.** Section 97-33-9, Mississippi Code of 1972, is
898 amended as follows:

899 97-33-9. Except as otherwise provided in Section 97-33-8, if
900 any person shall be guilty of keeping or exhibiting any game or
901 gaming table commonly called A.B.C. or E.O. roulette or
902 rowley-powley, or rouge et noir, roredo, keno, monte, or any
903 faro-bank, or other game, gaming table, or bank of the same or
904 like kind or any other kind or description under any other name
905 whatever, or shall be in any manner either directly or indirectly
906 interested or concerned in any gaming tables, banks, or games,
907 either by furnishing money or articles for the purpose of carrying
908 on the same, being interested in the loss or gain of said table,
909 bank or games, or employed in any manner in conducting, carrying
910 on, or exhibiting said gaming tables, games, or banks, every
911 person so offending and being thereof convicted, shall be fined
912 not less than Twenty-five Dollars (\$25.00) nor more than Two
913 Thousand Dollars (\$2,000.00), or be imprisoned in the county jail
914 not longer than two (2) months, or by both such fine and
915 imprisonment, in the discretion of the court. Nothing in this
916 section shall apply to any person who owns, possesses, controls,
917 installs, procures, repairs or transports any gambling device,
918 machine or equipment in accordance with subsection (4) of Section
919 97-33-7 or Section 75-76-34.



920 This section shall not apply to the operation of any game or
921 lottery authorized by Chapter 115, Title 27, or to the operation
922 of any skill terminal device authorized under this act.

923 **SECTION 26.** Section 97-33-11, Mississippi Code of 1972, is
924 amended as follows:

925 97-33-11. It shall not be lawful for any association of
926 persons of the character commonly known as a "club," whether such
927 association be incorporated or not, in any manner, either directly
928 or indirectly, to have any interest or concern in any gambling
929 tables, banks, or games, by means of what is sometimes called a
930 "rake-off" or "take-out," or by means of an assessment upon
931 certain combinations, or hands at cards, or by means of a
932 percentage extracted from players, or an assessment made upon, or
933 a contribution from them, or by any other means, device or
934 contrivance whatsoever. It shall not be lawful for such an
935 association to lend or advance money or any other valuable thing
936 to any person engaged or about to engage in playing any game of
937 chance prohibited by law, or to become responsible directly or
938 indirectly for any money or other valuable thing lost, or which
939 may be lost, by any player in any such game. If any such
940 association shall violate any of the provisions of this section
941 each and every member thereof shall be guilty of a misdemeanor
942 and, upon conviction thereof, shall be fined in a sum not more
943 than Five Hundred Dollars (\$500.00); and unless such fine and
944 costs be immediately paid, shall be imprisoned in the county jail



945 for not less than five (5) nor more than twenty (20) days. Each
946 grand jury shall cause such of the members of such an association
947 as it may choose to appear before them and submit to examination
948 touching the observance or nonobservance by such association of
949 the provisions hereof.

950 This section shall not apply to the operation of any game or
951 lottery authorized by Chapter 115, Title 27, or to the operation
952 of any skill terminal device authorized under this act.

953 **SECTION 27.** Section 97-33-13, Mississippi Code of 1972, is
954 amended as follows:

955 97-33-13. Any owner, lessee, or occupant of any outhouse or
956 other building, who shall knowingly permit or suffer any of the
957 before mentioned tables, banks, or games, or any other game
958 prohibited by law, to be carried on, kept, or exhibited in his
959 said house or other building, or on his lot or premises, being
960 thereof convicted, shall be fined not less than One Hundred
961 Dollars (\$100.00) nor more than Two Thousand Dollars (\$2,000.00).

962 This section shall not apply to the operation of any game or
963 lottery authorized by Chapter 115, Title 27, or to the operation
964 of any skill terminal device authorized under this act.

965 **SECTION 28.** Section 97-33-21, Mississippi Code of 1972, is
966 amended as follows:

967 97-33-21. Any person of full age who shall bet any money or
968 thing of any value with a minor, or allow a minor to bet at any
969 game or gaming-table exhibited by him, or in which he is



970 interested or in any manner concerned, on conviction thereof,
971 shall be fined not less than Three Hundred Dollars (\$300.00) and
972 imprisoned not less than three (3) months.

973 This section shall apply to minors under the age of
974 twenty-one (21) as it might apply to the operation of any game or
975 lottery authorized by Chapter 115, Title 27, or to the operation
976 of any skill terminal device authorized under this act.

977 **SECTION 29.** Section 97-33-23, Mississippi Code of 1972, is
978 amended as follows:

979 97-33-23. Any person of full age who shall bet any money or
980 thing of value with a minor, knowing such minor to be under the
981 age of twenty-one (21) years, or allowing any such minor to bet at
982 any game or games, or at any gaming table exhibited by him, or in
983 which he is interested or in any manner concerned, on conviction
984 thereof, shall be punished by imprisonment in the Penitentiary not
985 exceeding two (2) years.

986 This section shall apply to minors under the age of
987 twenty-one (21) as it might apply to the operation of any game or
988 lottery authorized by Chapter 115, Title 27, or to the operation
989 of any skill terminal device authorized under this act.

990 **SECTION 30.** Section 97-33-49, Mississippi Code of 1972, is
991 amended as follows:

992 97-33-49. Except as otherwise provided in Section 97-33-51,
993 if any person, in order to raise money for himself or another,
994 shall publicly or privately put up or in any way offer any prize



995 or thing to be raffled or played for, he shall, on conviction, be
996 fined not more than Twenty Dollars (\$20.00), or be imprisoned not
997 more than one (1) month in the county jail.

998 This section shall not apply to the operation of any game or
999 lottery authorized by Chapter 115, Title 27, or to the operation
1000 of any skill terminal device authorized under this act.

1001 **SECTION 31.** Section 75-76-177, Mississippi Code of 1972, is
1002 amended as follows:

1003 75-76-177. (1) From and after August 1, 1990, there is
1004 hereby imposed and levied on each gaming licensee a license fee
1005 based upon all the gross revenue of the licensee as follows:

1006 (a) Four percent (4%) of all the gross revenue of the
1007 licensee which does not exceed Fifty Thousand Dollars (\$50,000.00)
1008 per calendar month; and

1009 (b) Six percent (6%) of all the gross revenue of the
1010 licensee which exceeds Fifty Thousand Dollars (\$50,000.00) per
1011 calendar month * * *.

1012 (2) All revenue received from any game or gaming device
1013 which is leased for operation on the premises of the
1014 licensee-owner to a person other than the owner thereof or which
1015 is located in an area or space on such premises which is leased by
1016 the licensee-owner to any such person, must be attributed to the
1017 owner for the purposes of this section and be counted as part of
1018 the gross revenue of the owner. The lessee is liable to the owner
1019 for his proportionate share of such license fees.



1020 (3) If the amount of license fees required to be reported
1021 and paid pursuant to this section is later determined to be
1022 greater or less than the amount actually reported and paid by the
1023 licensee, the * * * Commissioner of Revenue shall:

1024 (a) Assess and collect the additional license fees
1025 determined to be due, with interest thereon until paid; or

1026 (b) Refund any overpayment, with interest thereon, to
1027 the licensee.

1028 Interest must be computed, until paid, at the rate of one
1029 percent (1%) per month from the first day of the first month
1030 following either the due date of the additional license fees or
1031 the date of overpayment.

1032 (4) Failure to pay the fees provided for in this section
1033 when they are due for continuation of a license shall be deemed a
1034 surrender of the license.

1035 **SECTION 32.** Section 75-76-129, Mississippi Code of 1972, is
1036 amended as follows:

1037 **[Through June 30, 2028, this section shall read as follows:]**

1038 75-76-129. (1) On or before the last day of each month all
1039 taxes, fees, interest, penalties, damages, fines or other monies
1040 collected by the Department of Revenue during that month under the
1041 provisions of this chapter, with the exception of (a) the local
1042 government fees imposed under Section 75-76-195, and (b) an amount
1043 equal to Three Million Dollars (\$3,000,000.00) of the revenue
1044 collected pursuant to the fee imposed under Section



1045 75-76-177(1) (* * *b), and (c) the revenue collected pursuant to
1046 the fee imposed under Section 75-76-177(1) (* * *b) as a result of
1047 wagers on sporting events shall be paid by the Department of
1048 Revenue to the State Treasurer to be deposited in the State
1049 General Fund. The local government fees shall be distributed by
1050 the Department of Revenue pursuant to Section 75-76-197.

1051 (2) An amount equal to Three Million Dollars (\$3,000,000.00)
1052 of the revenue collected during that month pursuant to the fee
1053 imposed under Section 75-76-177(1) (* * *b) shall be deposited by
1054 the Department of Revenue into the bond sinking fund created in
1055 Section 1(3) of Chapter 479, Laws of 2015.

1056 (3) Revenue collected pursuant to the fee imposed under
1057 Section 75-76-177(1) (* * *b) as a result of wagers on sporting
1058 events shall be deposited into the State Highway Fund to be used
1059 solely for the repair and maintenance of highways and bridges of
1060 the State of Mississippi. This revenue shall be used first for
1061 matching funds made available to the state for such purposes
1062 pursuant to any federal highway infrastructure program implemented
1063 after September 1, 2018.

1064 **[From and after July 1, 2028, this section shall read as**
1065 **follows:]**

1066 75-76-129. On or before the last day of each month all
1067 taxes, fees, interest, penalties, damages, fines or other monies
1068 collected by the Department of Revenue during that month under the
1069 provisions of this chapter, with the exception of (a) the local



1070 government fees imposed under Section 75-76-195, and (b) an amount
1071 equal to Three Million Dollars (\$3,000,000.00) of the revenue
1072 collected pursuant to the fee imposed under Section
1073 75-76-177(1) (* * *b) shall be paid by the Department of Revenue
1074 to the State Treasurer to be deposited in the State General Fund.
1075 The local government fees shall be distributed by the Department
1076 of Revenue pursuant to Section 75-76-197. An amount equal to
1077 Three Million Dollars (\$3,000,000.00) of the revenue collected
1078 during that month pursuant to the fee imposed under Section
1079 75-76-177(1) (* * *b) shall be deposited by the Department of
1080 Revenue into the bond sinking fund created in Section 1(3) of
1081 Chapter 479, Laws of 2015.

1082 **SECTION 33.** Section 1 through 21 of this act shall be
1083 codified as a new chapter in Title 27 of the Mississippi Code of
1084 1972.

1085 **SECTION 34.** This act shall take effect and be in force from
1086 and after July 1, 2022.

