

By: Senator(s) Moran

To: Gaming; Finance

SENATE BILL NO. 2462

1 AN ACT TO CREATE THE MISSISSIPPI MOBILE SPORTS POOL AND RACE
2 BOOK WAGERING ACT; TO PROVIDE CERTAIN DEFINITIONS; TO PROVIDE FOR
3 LICENSING; TO ESTABLISH THE MEANS OF OPERATION; TO SET FORTH A
4 METHOD OF TAXATION; TO AMEND SECTION 75-76-5, MISSISSIPPI CODE OF
5 1972, TO REVISE THE GAMING CONTROL ACT DEFINITIONS OF "ASSOCIATED
6 EQUIPMENT," "GAMING DEVICE" AND "SPORTS POOL"; TO DEFINE "DIGITAL
7 PLATFORM" AS THE OPERATION OF A SPORTS POOL OR RACE BOOK OVER THE
8 INTERNET, INCLUDING ON WEBSITES AND MOBILE DEVICES, BY THE HOLDER
9 OF A GAMING LICENSE OR BY AN OPERATOR ON BEHALF OF THE HOLDER OF A
10 GAMING LICENSE; TO DEFINE "OPERATOR" AS AN ENTITY LICENSED AS A
11 MANUFACTURER AND DISTRIBUTOR AND AUTHORIZED TO OPERATE A DIGITAL
12 PLATFORM ON BEHALF OF THE HOLDER OF A GAMING LICENSE; TO AMEND
13 SECTIONS 75-76-33, 75-76-55, 75-76-79, 75-76-89, 75-76-101 AND
14 75-76-175, MISSISSIPPI CODE OF 1972, TO AUTHORIZE THE USE OF
15 DIGITAL PLATFORMS; TO AMEND SECTION 75-76-177, MISSISSIPPI CODE OF
16 1972, TO REVISE THE GAMING LICENSE FEES IN REGARDS TO PLATFORM
17 GROSS REVENUES; TO AMEND SECTION 97-33-305, MISSISSIPPI CODE OF
18 1972, TO REVISE THE FANTASY CONTEST ACT TO DELETE THE PROHIBITION
19 ON OPERATORS OFFERING CONTESTS BASED ON THE PERFORMANCE OF
20 PARTICIPANTS IN COLLEGIATE SPORTS EVENTS; AND FOR RELATED
21 PURPOSES.

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

23 **SECTION 1.** This act shall be known as the "Mississippi
24 Mobile Sports Pool and Race Book Wagering Act.

25 **SECTION 2.** The following terms shall have the meanings
26 ascribed herein:



27 (a) "Commission" means the Mississippi Gaming
28 Commission created in Section 75-76-7.

29 (b) "Confidential information" means information
30 related to the operation of an online sports pool by online sports
31 pool players or the operation of an online race book by online
32 race book players obtained as a result of or by virtue of a
33 person's employment.

34 (c) "Executive director" means the Executive Director
35 of the Mississippi Gaming Commission.

36 (d) "Gaming" means to deal, operate, carry on, maintain
37 or expose for play any game as defined in Section 75-76-5(k),
38 including any game approved by the commission.

39 (e) "Gaming license" means any license issued by the
40 commission pursuant to the Mississippi Gaming Control Act which
41 authorizes the person named therein to engage in gaming.

42 (f) "Gross revenue" means that term as defined in
43 Section 75-76-5(p).

44 (g) "Internet" means that term as defined in Section
45 230 of Title II of the Communications Act of 1934, Chapter 652,
46 110 Stat. 137, 47 USCS 230.

47 (h) "Licensed establishment" means any premises
48 licensed pursuant to the provisions of the Mississippi Gaming
49 Control Act wherein or whereon gaming is conducted.

50 (i) "Online race book" means a race book operation in
51 which wagers are made over the internet, including websites and



52 mobile or interactive devices, and accepted by a platform on
53 behalf of the holder of a gaming license.

54 (j) "Online sports pool" means a sports wagering
55 operation in which wagers on collegiate or professional sporting
56 events or athletic events are made over the internet, including on
57 websites and mobile or interactive devices, and accepted by a
58 platform on behalf of the holder of a gaming license.

59 (k) "Platform" means a person or entity that operates
60 an online sports pool or online race book on behalf of the holder
61 of a gaming license. Notwithstanding any provision of law to the
62 contrary, a platform may determine whether to accept or reject
63 wagers, determine the results of wagers, and payout winning
64 wagers.

65 (l) "Race book" means the business of accepting wagers
66 upon the outcome of any event held at a track which uses the
67 parimutuel system of wagering.

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



76 **SECTION 3.** (1) A platform that operates an online sports
77 pool or online race book on behalf of the holder of a gaming
78 license in this state must obtain a manufacturer's and
79 distributor's license from the commission.

80 (2) A platform that operates an online sports pool or online
81 race book on behalf of the holder of a gaming license in this
82 state must be lawfully conducting business in this state.

83 (3) Application for licensure shall be made to the executive
84 director on forms furnished by the executive director and in
85 accordance with the commission's regulations regarding
86 manufacturer's and distributor's licenses.

87 (4) The commission shall, from time to time, adopt, amend or
88 repeal such regulations, consistent with the policy, objects and
89 purposes of this act, as it may deem necessary or desirable in the
90 public interest in carrying out the policy and provisions of this
91 act. The commission shall comply with the Mississippi
92 Administrative Procedures Law when adopting, amending or repealing
93 any regulations authorized under this section or under any other
94 provision of this act.

95 **SECTION 4.** (1) A platform may accept on behalf of the
96 holder of a gaming license in this state wagers placed over the
97 internet, including on websites and mobile or interactive devices,
98 from a player located in Mississippi, subject to the following:

99 (a) All players shall establish a wagering account and
100 an initial verification must be conducted before any wager may be



101 accepted by a player. A player may establish a wagering account
102 with a platform in person at a licensed establishment or over the
103 internet, including on websites and mobile or interactive devices.

104 (b) A platform shall accept on behalf of the holder of
105 a gaming license in this state wagers only from players located in
106 Mississippi. A platform shall maintain geofencing or geolocating
107 services and bear all costs and responsibilities as required by
108 the commission.

109 (c) A platform shall take all reasonable measures to
110 prevent the sharing of confidential information with third parties
111 that could affect the outcome of wagers until the information is
112 made publicly available.

113 (d) A person under the age of twenty-one (21) years
114 shall not play, be allowed to play, place wagers, or collect
115 winnings, whether personally or through an agent, from any gaming
116 or wagers authorized under this act.

117 (e) A platform shall comply with all identification
118 verification and compulsive and problem gambling verifications and
119 protections set forth in law or rule.

120 (2) Subject to the regulations of the commission, a platform
121 shall report to the commission:

122 (a) Any criminal proceeding commenced against the
123 platform or its employees in connection with the platform's
124 operations in Mississippi.



125 (b) Any abnormal betting activity or patterns that may
126 indicate a concern about the integrity of a sporting event or
127 athletic event.

128 (c) Any other conduct with the potential to corrupt the
129 betting outcome of a sporting event or athletic event for
130 financial gain, including, but not limited to, match fixing.

131 (d) Suspicious or illegal wagering activities,
132 including the use of funds derived from illegal activity, wagers
133 to conceal or launder funds derived from illegal activity, use of
134 agents to place wagers, or use of false identification.

135 (3) A dispute over winnings with respect to an online race
136 book or online sports pool shall be resolved under the procedures
137 set forth in Sections 75-76-157 through 75-76-173.

138 **SECTION 5.** Gross revenue from an online race book or an
139 online sports pool affiliated with and operating on behalf of the
140 holder of a gaming license shall be subject to the license fees
141 and credits under Section 75-76-177, 75-76-179, 75-76-181 and
142 75-76-185.

143 **SECTION 6.** Section 75-76-5, Mississippi Code of 1972, is
144 amended as follows:

145 75-76-5. As used in this chapter, unless the context
146 requires otherwise:

147 (a) "Applicant" means any person who has applied for or
148 is about to apply for a state gaming license, registration or
149 finding of suitability under the provisions of this chapter or



150 approval of any act or transaction for which approval is required
151 or permitted under the provisions of this chapter.

152 (b) "Application" means a request for the issuance of a
153 state gaming license, registration or finding of suitability under
154 the provisions of this chapter or for approval of any act or
155 transaction for which approval is required or permitted under the
156 provisions of this chapter but does not include any supplemental
157 forms or information that may be required with the application.

158 (c) "Associated equipment" means any equipment or
159 mechanical, electromechanical or electronic contrivance, component
160 or machine used remotely or directly in connection with gaming or
161 with any game, race book or sports pool that would not otherwise
162 be classified as a gaming device, including dice, playing cards,
163 links which connect to progressive slot machines, equipment which
164 affects the proper reporting of gross revenue, computerized
165 systems of betting at a race book or sports pool, computerized
166 systems for monitoring slot machines, and devices for weighing or
167 counting money. Associated equipment does not include a personal
168 computer, mobile phone or other device owned and used by an
169 individual to place a sports betting wager via a digital platform.

170 (d) "Chairman" means the Chairman of the Mississippi
171 Gaming Commission except when used in the term "Chairman of the
172 State Tax Commission." "Chairman of the State Tax Commission" or
173 "commissioner" means the Commissioner of Revenue of the Department
174 of Revenue.



175 (e) "Commission" or "Mississippi Gaming Commission"
176 means the Mississippi Gaming Commission.

177 (f) "Commission member" means a member of the
178 Mississippi Gaming Commission.

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

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

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

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

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



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

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

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

209 (m) "Gaming device" means any mechanical,
210 electromechanical or electronic contrivance, component or machine
211 used in connection with gaming or any game which affects the
212 result of a wager by determining win or loss. The term includes a
213 system for processing information which can alter the normal
214 criteria of random selection, which affects the operation of any
215 game, or which determines the outcome of a game. The term does
216 not include a system or device which affects a game solely by
217 stopping its operation so that the outcome remains undetermined,
218 and does not include any antique coin machine as defined in
219 Section 27-27-12. Gaming device does not include a personal
220 computer, mobile phone or other device owned and used by an
221 individual to place a sports betting wager via a digital platform.

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



- 225 (i) Boxmen;
- 226 (ii) Cashiers;
- 227 (iii) Change personnel;
- 228 (iv) Counting room personnel;
- 229 (v) Dealers;
- 230 (vi) Floormen;
- 231 (vii) Hosts or other persons empowered to extend
- 232 credit or complimentary services;
- 233 (viii) Keno runners;
- 234 (ix) Keno writers;
- 235 (x) Machine mechanics;
- 236 (xi) Security personnel;
- 237 (xii) Shift or pit bosses;
- 238 (xiii) Shills;
- 239 (xiv) Supervisors or managers; and
- 240 (xv) Ticket writers.

241 The term "gaming employee" also includes employees of

242 manufacturers or distributors of gaming equipment within this

243 state whose duties are directly involved with the manufacture,

244 repair or distribution of gaming equipment.

245 "Gaming employee" does not include bartenders, cocktail

246 waitresses or other persons engaged in preparing or serving food

247 or beverages unless acting in some other capacity.



248 (o) "Gaming license" means any license issued by the
249 state which authorizes the person named therein to engage in
250 gaming.

251 (p) "Gross revenue" means the total of all of the
252 following, less the total of all cash paid out as losses to
253 patrons and those amounts paid to purchase annuities to fund
254 losses paid to patrons over several years by independent financial
255 institutions:

256 (i) Cash received as winnings;

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

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

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

264 The term does not include:

265 (i) Counterfeit money or tokens;

266 (ii) Coins of other countries which are received
267 in gaming devices;

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

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



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

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

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

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

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

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

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

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

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

293 (z) "Party" means the Mississippi Gaming Commission and
294 any licensee or other person appearing of record in any proceeding
295 before the commission; or the Mississippi Gaming Commission and
296 any licensee or other person appearing of record in any proceeding



297 for judicial review of any action, decision or order of the
298 commission.

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

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

305 (cc) "Race book" means the business of accepting wagers
306 upon the outcome of any event held at a track which uses the
307 parimutuel system of wagering.

308 (dd) "Regulation" means a rule, standard, directive or
309 statement of general applicability which effectuates law or policy
310 or which describes the procedure or requirements for practicing
311 before the commission. The term includes a proposed regulation
312 and the amendment or repeal of a prior regulation but does not
313 include:

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

317 (ii) A declaratory ruling;

318 (iii) An interagency memorandum;

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



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

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

325 (ff) "Slot machine" means any mechanical, electrical or
326 other device, contrivance or machine which, upon insertion of a
327 coin, token or similar object, or upon payment of any
328 consideration, is available to play or operate, the play or
329 operation of which, whether by reason of the skill of the operator
330 or application of the element of chance, or both, may deliver or
331 entitle the person playing or operating the machine to receive
332 cash, premiums, merchandise, tokens or anything of value, whether
333 the payoff is made automatically from the machine or in any other
334 manner. The term does not include any antique coin machine as
335 defined in Section 27-27-12.

336 (gg) "Sports pool" means the business of accepting
337 wagers on collegiate, amateur or professional sporting events or
338 athletic events, including e-sports, or any other event or
339 competition authorized by the commission, by any system or method
340 of wagering other than the system known as the "parimutuel method
341 of wagering * * *," including, but not limited to, digital
342 platforms. The term includes, but is not limited to, single-game
343 bets, teaser bets, parlays, over-under, moneyline, pools, exchange
344 wagering, in-game wagering, in-play bets, proposition bets and



345 straight bets. The term does not include fantasy contests as
346 defined in Section 97-33-303.

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

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

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

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

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

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

365 (i) The rules of a game; or

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

367 (nn) "Promotional activity" means an activity or event
368 conducted or held for the purpose of promoting or marketing the
369 individual licensed gaming establishment that is engaging in the



370 promotional activity. The term includes, but is not limited to, a
371 game of any kind other than as defined in paragraph (k) of this
372 section, a tournament, a contest, a drawing, or a promotion of any
373 kind.

374 (oo) "Digital platform" means the operation of a sports
375 pool or race book over the internet, including on websites and
376 mobile devices, by the holder of a gaming license or by an
377 operator on behalf of the holder of a gaming license.
378 Notwithstanding any provision of the law to the contrary, a
379 digital platform may determine whether to accept or reject wagers,
380 determine the results of wagers and payout winning wagers. The
381 branding for each digital platform shall be determined by the
382 operator.

383 (pp) "Operator" means an entity licensed as a
384 manufacturer and distributor and authorized by the commission to
385 operate a digital platform on behalf of the holder of a gaming
386 license.

387 (qq) "Sports pool wagering account" means a financial
388 record established by a gaming licensee or operator for an
389 individual patron in which the patron may deposit and withdraw
390 funds for sports pool wagering and other authorized purchases, and
391 to which the gaming licensee or operator may credit winnings or
392 other amounts due to that patron or authorized by that patron.
393 Such account can be established and funded by the patron
394 electronically through a digital platform.



395 **SECTION 7.** Section 75-76-33, Mississippi Code of 1972, is
396 amended as follows:

397 75-76-33. (1) The commission shall, from time to time,
398 adopt, amend or repeal such regulations, consistent with the
399 policy, objects and purposes of this chapter, as it may deem
400 necessary or desirable in the public interest in carrying out the
401 policy and provisions of this chapter. The commission shall
402 comply with the Mississippi Administrative Procedures Law when
403 adopting, amending or repealing any regulations authorized under
404 this section or under any other provision of this chapter.

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

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

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

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

418 (d) Requiring fingerprinting of an applicant or
419 licensee, and gaming employees of a licensee, or other methods of



420 identification and the forwarding of all fingerprints taken
421 pursuant to regulation of the Federal Bureau of Investigation.

422 (e) Prescribing the manner and procedure of all
423 hearings conducted by the commission or any hearing examiner of
424 the commission, including special rules of evidence applicable
425 thereto and notices thereof.

426 (f) Requiring any applicant to pay all or any part of
427 the fees and costs of investigation of such applicant as may be
428 determined by the commission under paragraph (g) of this
429 subsection (2).

430 (g) Prescribing the amounts of investigative fees only
431 as authorized by regulations of the commission under paragraph (f)
432 of this subsection, and collecting those fees. The commission
433 shall adopt regulations setting the amounts of those fees at
434 levels that will provide the commission with sufficient revenue,
435 when combined with any other monies as may be deposited into the
436 Mississippi Gaming Commission Fund created in Section 75-76-325,
437 to carry out the provisions of this chapter without any state
438 general funds. In calculating the amount of such fees, the
439 commission shall:

440 (i) Attempt to set the fees at levels that will
441 create a balance in the Mississippi Gaming Commission Fund that
442 does not exceed, at the end of any state fiscal year, two percent
443 (2%) of the projected amount of funds that will provide the
444 commission with such sufficient revenue; and



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

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

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

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

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

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

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

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

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



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

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

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

483 (4) Gaming licensees and operators shall accept wagers
484 placed from sports pool wagering accounts through digital
485 platforms provided that such wagers are initiated, received and
486 otherwise made within Mississippi unless otherwise determined by
487 the commission in accordance with applicable federal and state
488 law. Consistent with the intent of the United States Congress and
489 as articulated in the federal Unlawful Internet Gambling
490 Enforcement Act of 2006, 31 U.S.C. Sections 5361-5367, the
491 intermediate routing of electronic data related to a lawful
492 intrastate wager authorized under that provision does not
493 determine the location or locations in which the wager is
494 initiated, received or otherwise made.



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

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

504 **SECTION 8.** Section 75-76-55, Mississippi Code of 1972, is
505 amended as follows:

506 75-76-55. (1) Except for an approved digital platform, or
507 as otherwise provided in Section 75-76-34, it is unlawful for any
508 person, either as owner, lessee or employee, whether for hire or
509 not, either solely or in conjunction with others, without having
510 first procured and thereafter maintaining in effect a state gaming
511 license:

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

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



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

524 (2) Except for an approved digital platform, or as otherwise
525 provided in Section 75-76-34, it is unlawful for any person
526 knowingly to permit any gambling game, including, without
527 limitation, any slot machine, gaming device, race book or sports
528 pool to be conducted, operated, dealt or carried on in any house
529 or building or other premises owned by him, in whole or in part,
530 by a person who is not licensed pursuant to this chapter or by his
531 employee.

532 **SECTION 9.** Section 75-76-79, Mississippi Code of 1972, is
533 amended as follows:

534 75-76-79. (1) (a) Except as otherwise provided in
535 paragraphs (b) and (c) of this subsection, it is unlawful for any
536 person, either as owner, lessee or employee, whether for hire or
537 not, to operate, carry on, conduct or maintain any form of
538 manufacture, selling or distribution of any gaming device for use
539 or play in Mississippi or for distribution outside of Mississippi
540 without first procuring and maintaining all required federal and
541 state licenses.

542 (b) An operator shall be licensed under this section as
543 a manufacturer and a distributor.



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

547 (* * *d) The holder of a state gaming license or the
548 holding company of a corporate licensee may, within two (2) years
549 after cessation of business or upon specific approval by the
550 executive director, dispose of by sale in a manner approved by the
551 executive director, any or all of its gaming devices, including
552 slot machines, without a distributor's license. In cases of
553 bankruptcy of a state gaming licensee or operator or foreclosure
554 of a lien by a bank or other person holding a security interest
555 for which gaming devices are security, in whole or in part, for
556 the lien, the executive director may authorize the disposition of
557 the gaming devices without requiring a distributor's license.

558 (* * *e) Any person whom the commission determines is
559 a suitable person to receive a license under the provisions of
560 this section may be issued a manufacturer's or distributor's
561 license. The burden of proving his qualification to receive or
562 hold a license under this section is at all times on the applicant
563 or licensee.

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



568 (* * *g) The commission may exempt, for any purpose, a
569 manufacturer, seller or distributor from the provisions of
570 Sections 75-76-199 through 75-76-265, if the commission determines
571 that the exemption is consistent with the purposes of this
572 chapter.

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

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

577 (a) No new gaming device or associated equipment
578 manufactured by the manufacturer or distributed by the distributor
579 may be approved;

580 (b) Any previously approved device or associated
581 equipment manufactured by the manufacturer or distributed by the
582 distributor is subject to revocation of approval if the reasons
583 for the denial of the license also apply to that device or
584 associated equipment;

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

588 (d) Any association or agreement between the
589 manufacturer or distributor and a licensee must be terminated,
590 unless otherwise provided by the commission. An agreement between
591 such a manufacturer or distributor of gaming devices or associated
592 equipment and a licensee shall be deemed to include a provision



593 for its termination without liability on the part of the licensee
594 upon a finding by the commission that the manufacturer is
595 unsuitable to be associated with a gaming enterprise. Failure to
596 include that condition in the agreement is not a defense in any
597 action brought pursuant to this section to terminate the
598 agreement.

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

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

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

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

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



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

624 (5) A manufacturer or distributor of associated equipment
625 who sells, transfers or offers the associated equipment for use or
626 play in Mississippi may be required by the executive director to
627 file an application for a finding of suitability to be a
628 manufacturer or distributor of associated equipment.

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

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

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



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

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

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

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

650 In addition to all other fees and charges imposed by this
651 chapter, the executive director may determine an inspection fee
652 with regard to each manufacturer, seller or distributor which must
653 not exceed the actual cost of inspection and investigation. Upon
654 such determination, the executive director shall certify to
655 the * * * Commissioner of Revenue the amount of the inspection fee
656 and the name and address of the applicant. Upon such
657 certification the * * * Department of Revenue shall proceed to
658 assess and collect such inspection fee from the applicant.

659 **SECTION 10.** Section 75-76-89, Mississippi Code of 1972, is
660 amended as follows:

661 75-76-89. (1) Except as otherwise provided in subsection
662 (* * * 2) of this section, all licenses issued to the same person,
663 including a wholly owned subsidiary of that person, for the
664 operation of any game, including a sports pool or race book, which
665 authorize gaming at the same establishment must be merged into a



666 single gaming license. A gaming license may not be issued to any
667 person if the issuance would result in more than one (1) licensed
668 operation at a single establishment, whether or not the profits or
669 revenue from gaming are shared between the licensed operations.

670 (2) A person who has been issued a gaming license or an
671 operator may establish a sports pool or race book on the premises
672 of the establishment * * * or operate a digital platform through
673 which he conducts a gaming operation only after obtaining
674 permission from the executive director.

675 **SECTION 11.** Section 75-76-101, Mississippi Code of 1972, is
676 amended as follows:

677 75-76-101. (1) All gaming must be conducted with chips,
678 tokens or other instrumentalities approved by the executive
679 director or with the legal tender of the United States.

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

687 **SECTION 12.** Section 75-76-175, Mississippi Code of 1972, is
688 amended as follows:

689 75-76-175. (1) A credit instrument accepted on or after
690 June 29, 1991, is valid and may be enforced by legal process.



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

693 (a) Is signed by a patron; and

694 (b) States the amount of the debt in figures.

695 Such licensee or person action on the licensee's behalf * * *
696 may complete the instrument as is necessary for the instrument to
697 be presented for payment.

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

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

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

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

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

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



715 (b) Electronically through an approved digital
716 platform.

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

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

723 **SECTION 13.** Section 75-76-177, Mississippi Code of 1972, is
724 amended as follows:

725 75-76-177. (1) From and after August 1, 1990, there is
726 hereby imposed and levied on each gaming licensee a license fee
727 based upon all the gross revenue of the licensee as follows:

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

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

735 (c) Eight percent (8%) of all the gross revenue of the
736 licensee or operator which exceeds One Hundred Thirty-four
737 Thousand Dollars (\$134,000.00) per calendar month.

738 (2) All revenue received from any game or gaming device
739 which is leased for operation on the premises of the



740 licensee-owner to a person other than the owner thereof or which
741 is located in an area or space on such premises which is leased by
742 the licensee-owner to any such person, must be attributed to the
743 owner for the purposes of this section and be counted as part of
744 the gross revenue of the owner. The lessee is liable to the owner
745 for his proportionate share of such license fees.

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

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

752 (b) Refund any overpayment, with interest thereon, to
753 the licensee.

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

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

761 **SECTION 14.** Section 97-33-305, Mississippi Code of 1972, is
762 amended as follows:

763 97-33-305. (1) Fantasy contests are legal in this state. A
764 fantasy contest operator must comply with the provisions of this



765 section if the operator's total player roster for all fantasy
766 contests consists of one hundred (100) or more members of the
767 general public.

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

770 (a) Prevent employees of the operator, and relatives
771 living in the same household with an employee of an operator, from
772 competing in fantasy contests offered to the public by an operator
773 in which the operator offers a cash prize;

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

777 (c) Prevent the operator from participating in a
778 fantasy contest offered by the operator;

779 (d) Verify that a fantasy contest player is eighteen
780 (18) years of age or older except as required in Section
781 97-33-307(5);

782 (e) Ensure that individuals who participate or
783 officiate in a sporting event or who own, manage or coach a team
784 or player who participates in a sporting event will not knowingly
785 be allowed to enter a fantasy contest that is determined, in whole
786 or in part, on accumulated statistical results that include a
787 sporting event in which the individual could be involved as an
788 athlete, official, owner, manager or coach;



789 (f) Allow individuals to restrict themselves from
790 entering a fantasy contest upon request and provide reasonable
791 steps to prevent the person from entering fantasy contests offered
792 by the operator;

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

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

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

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

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

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

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



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

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

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

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

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

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

832 (k) Segregate fantasy contest player funds from
833 operational funds or maintain a reserve in the form of cash, cash
834 equivalents, payment processor reserves and receivables, an
835 irrevocable letter of credit, a bond, or a combination thereof, in
836 the amount of the total account balances of the fantasy contest



837 players for the benefit and protection of the funds held in the
838 accounts.

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

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

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

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

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

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

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



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

865 **SECTION 15.** Sections 1 through 5 of this act shall be
866 codified under a new heading in Title 97, Chapter 33, Mississippi
867 Code of 1972.

868 **SECTION 16.** This act shall take effect and be in force from
869 and after July 1, 2022.

