

By: Senator(s) Michel

To: Judiciary, Division A

SENATE BILL NO. 2616

1 AN ACT TO CREATE NEW SECTION 75-76-58, MISSISSIPPI CODE OF  
2 1972, TO REQUIRE THE GAMING COMMISSION TO COORDINATE WITH THE  
3 DEPARTMENT OF HUMAN SERVICES TO PROMULGATE RULES AND REGULATIONS  
4 PROVIDING FOR THE WITHHOLDING OF PAYMENTS OF PROGRESSIVE SLOT  
5 MACHINE ANNUITIES AND CASH GAMING WINNINGS OF PERSONS WHO HAVE  
6 OUTSTANDING CHILD-SUPPORT ARREARAGES AS REPORTED TO THE GAMING  
7 COMMISSION, FOR ANY AND ALL PAYMENTS FOR WHICH AN ENTITY LICENSED  
8 OR PERMITTED UNDER THE GAMING CONTROL ACT IS REQUIRED TO FILE FORM  
9 W2-G, OR A SUBSTANTIALLY EQUIVALENT FORM, WITH THE UNITED STATES  
10 INTERNAL REVENUE SERVICE; TO AUTHORIZE ANY LICENSED OR PERMITTED  
11 GAMING ENTITY TO DEDUCT AN ADMINISTRATIVE FEE FROM EACH PAYMENT OF  
12 A PROGRESSIVE SLOT MACHINE ANNUITY, BEGINNING WITH THE SECOND  
13 ANNUITY PAYMENT, OR CASH GAMING WINNINGS OF PERSONS WHO HAVE  
14 OUTSTANDING CHILD-SUPPORT ARREARAGES OR OWE CHILD-SUPPORT  
15 OVERPAYMENTS PER SINGULAR OR PERIODIC PAYMENT, NOT TO EXCEED  
16 \$35.00; TO REQUIRE THE GAMING COMMISSION TO ADOPT PROCEDURES  
17 DESIGNED TO PREVENT EMPLOYEES FROM WILLFULLY FAILING TO WITHHOLD  
18 PAYMENTS OF PROGRESSIVE SLOT MACHINE ANNUITIES OR CASH GAMING  
19 WINNINGS FROM PERSONS WHO HAVE OUTSTANDING CHILD-SUPPORT  
20 ARREARAGES OR CHILD-SUPPORT OVERPAYMENTS, BASED UPON THE  
21 INFORMATION PROVIDED BY THE DEPARTMENT OF HUMAN SERVICES THAT  
22 ALLOWS THE LICENSEE TO IDENTIFY SUCH PERSONS; TO REQUIRE THE  
23 GAMING COMMISSION AND THE DEPARTMENT OF HUMAN SERVICES TO  
24 INSTITUTE PROCEDURES FOR EXCHANGING INFORMATION FOR EFFECTUATING  
25 THE PURPOSES OF THIS ACT; TO AMEND SECTION 75-76-3, MISSISSIPPI  
26 CODE OF 1972, TO ADD A STATEMENT OF LEGISLATIVE INTENT IN  
27 CONFORMITY THERETO; AND FOR RELATED PURPOSES.

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

29 **SECTION 1.** The following shall be codified as Section  
30 75-76-58, Mississippi Code of 1972:



31           75-76-58. (1) The commission shall coordinate with the  
32 Department of Human Services to promulgate rules and regulations  
33 providing for the withholding of payments of progressive slot  
34 machine annuities and cash gaming winnings of persons who have  
35 outstanding child-support arrearages as reported to the  
36 commission, for any and all payments for which an entity licensed  
37 or permitted under Chapter 76 of Title 75, Mississippi Code of  
38 1972, is required to file Form W2-G, or a substantially equivalent  
39 form, with the United States Internal Revenue Service.

40           (2) The commission may require any agency reporting current  
41 child-support arrearages to the commission to provide information  
42 relating to such arrearages in a manner, format or record approved  
43 by the commission.

44           (3) The commission and any entity licensed or permitted  
45 under Chapter 76 of Title 75, Mississippi Code of 1972, shall not  
46 be liable for withholding funds based upon child-support arrearage  
47 information provided to it.

48           (4) Any entity licensed or permitted under Chapter 76 of  
49 Title 75, Mississippi Code of 1972, may deduct an administrative  
50 fee from each payment of a progressive slot machine annuity,  
51 beginning with the second annuity payment, or cash gaming winnings  
52 of persons who have outstanding child-support arrearages or owe  
53 child-support overpayments per singular or periodic payment, not  
54 to exceed Thirty-five Dollars (\$35.00).



55           (5) The commission shall also require that the entity  
56 licensed or permitted under Chapter 76 of Title 75, Mississippi  
57 Code of 1972, adopt procedures designed to prevent employees from  
58 willfully failing to withhold payments of progressive slot machine  
59 annuities or cash gaming winnings from persons who have  
60 outstanding child-support arrearages or child-support  
61 overpayments, based upon the information provided by the  
62 Department of Human Services that allows the licensee to identify  
63 such persons.

64           (6) Not later than July 1, 2023, the commission and the  
65 Department of Human Services shall institute the procedures for  
66 exchanging information and institute rulemaking procedures and  
67 processes as necessary to implement the provisions of this  
68 section.

69           **SECTION 2.** Section 75-76-3, Mississippi Code of 1972, is  
70 amended as follows:

71           75-76-3. (1) The provisions of this chapter shall not be  
72 construed to legalize any form of gaming which is prohibited under  
73 the Mississippi Constitution or the laws of this state. All legal  
74 gaming which is conducted in this state and which is otherwise  
75 authorized by law shall be regulated and licensed pursuant to the  
76 provisions of this chapter, unless the Legislature specifically  
77 provides otherwise. Nothing in this chapter shall be construed as  
78 encouraging the legalization of gambling in this state.



79           (2) The Legislature hereby finds and declares that lotteries  
80 and gaming both consist of the material element of chance. The  
81 Legislature is prohibited from legislating upon lotteries and  
82 permitted by virtue of its inherent powers to legislate upon  
83 gaming as the occasion arises. The Legislature derives its power  
84 to legislate upon gaming or gambling devices from its inherent  
85 authority over the morals and policy of the people and such power  
86 shall not be considered to conflict with the constitutional  
87 prohibition of lotteries.

88           (3) The Legislature hereby finds, and declares it to be the  
89 public policy of this state, that:

90           (a) Regulation of licensed gaming is important in order  
91 that licensed gaming is conducted honestly and competitively, that  
92 the rights of the creditors of licensees are protected and that  
93 gaming is free from criminal and corruptive elements.

94           (b) Public confidence and trust can only be maintained  
95 by strict regulation of all persons, locations, practices,  
96 associations and activities related to the operation of licensed  
97 gaming establishments and the manufacture or distribution of  
98 gambling devices and equipment.

99           (c) All establishments where gaming is conducted and  
100 where gambling devices are operated, and manufacturers, sellers  
101 and distributors of certain gambling devices and equipment must  
102 therefore be licensed, controlled and assisted to protect the



103 public health, safety, morals, good order and general welfare of  
104 the inhabitants of the state.

105 (d) Children are adversely affected when parents who  
106 have outstanding child-support obligations divert their financial  
107 support to gaming. Therefore, a parent's winnings should be  
108 applied to the parent's outstanding child-support obligations.

109 (4) It is the intent of the Legislature that gaming  
110 licensees, to the extent practicable, employ residents of  
111 Mississippi as gaming employees and other employees in the  
112 operation of their gaming establishments located in this state.

113 (5) No applicant for a license or other affirmative  
114 commission approval has any right to a license or the granting of  
115 the approval sought. Any license issued or other commission  
116 approval granted pursuant to the provisions of this chapter is a  
117 revocable privilege, and no holder acquires any vested right  
118 therein or thereunder.

119 (6) The Legislature recognizes that Section 98 of the  
120 Mississippi Constitution of 1890 prohibits the conducting of any  
121 lottery in this state and that, while not defining the term  
122 "lottery," Section 98 clearly contemplates, as indicated by  
123 specific language contained therein, that a lottery involves the  
124 sale of tickets and a drawing in order to determine the winner.  
125 The Legislature also recognizes that Section 98 of the Mississippi  
126 Constitution of 1890 directs the Legislature to provide by law for  
127 the enforcement of its provisions. Therefore, in carrying out its



128 duties under the Constitution and effectuating the intent of  
129 Section 98, the Legislature hereby finds that a lottery, as  
130 prohibited by the Constitution, does not include all forms of  
131 gambling but means any activity in which:

132 (a) The player or players pay or agree to pay something  
133 of value for chances, represented and differentiated by tickets,  
134 slips of paper or other physical and tangible documentation upon  
135 which appear numbers, symbols, characters or other distinctive  
136 marks used to identify and designate the winner or winners; and

137 (b) The winning chance or chances are to be determined  
138 by a drawing or similar selection method based predominately upon  
139 the element of chance or random selection rather than upon the  
140 skill or judgment of the player or players; and

141 (c) The holder or holders of the winning chance or  
142 chances are to receive a prize or something of valuable  
143 consideration; and

144 (d) The activity is conducted and participated in  
145 without regard to geographical location, with the player or  
146 players not being required to be present upon any particular  
147 premises or at any particular location in order to participate or  
148 to win.

149 **SECTION 3.** This act shall take effect and be in force from  
150 and after July 1, 2022.

