

By: Senator(s) Tate

To: Veterans and Military  
Affairs; Gaming

SENATE BILL NO. 2513

1 AN ACT TO CODIFY SECTION 27-115-8, MISSISSIPPI CODE OF 1972,  
 2 TO CREATE A "VETERANS' ASSISTANCE LOTTERY" TO BE ADMINISTERED BY  
 3 THE MISSISSIPPI LOTTERY CORPORATION; TO PRESCRIBE THE DUTIES AND  
 4 RESPONSIBILITIES OF THE CORPORATION TO MARKET AND ADVERTISE THE  
 5 VETERANS LOTTERY TO ENSURE THAT THE GAME REMAINS COMPETITIVE; TO  
 6 PROVIDE FOR SALES AGENTS; TO CREATE THE FUND FOR VETERANS'  
 7 ASSISTANCE AS A SPECIAL FUND IN THE STATE TREASURY WHICH SHALL  
 8 RECEIVE PROCEEDS FROM THE VETERANS LOTTERY WHICH SHALL BE  
 9 APPROPRIATED TO THE MISSISSIPPI VETERANS' AFFAIRS BOARD FOR THE  
 10 SUPPORT OF VETERANS PROGRAMS IN MISSISSIPPI; TO AMEND SECTION  
 11 27-115-51, MISSISSIPPI CODE OF 1972, TO PROVIDE FOR THE DEPOSIT OF  
 12 MONIES RECEIVED FROM THE SALE OF VETERANS' LOTTERY TICKETS INTO  
 13 THE FUND FOR VETERANS' ASSISTANCE; TO AMEND SECTIONS 27-115-5,  
 14 27-115-17 AND 27-115-21, MISSISSIPPI CODE OF 1972, IN CONFORMITY;  
 15 AND FOR RELATED PURPOSES.

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

17 **SECTION 1.** The following shall be codified as Section  
 18 27-115-8, Mississippi Code of 1972:

19 27-115-8. (1) The Mississippi Lottery Corporation created  
 20 under Section 27-115-7 shall have the following additional powers  
 21 and duties: The corporation shall operate an instant-ticket  
 22 lottery game called the "Veterans' Assistance Lottery" to benefit  
 23 the Fund for Veterans' Assistance established by Section  
 24 27-115-51.



25           (2) The corporation shall:  
26                 (a) Determine the ticket price, payout amounts, and  
27 manner in which the game is conducted;  
28                 (b) Make tickets to the game available for sale  
29 continuously to the extent practicable; and  
30                 (c) Change the design or theme of the game regularly to  
31 ensure that the game remains competitive with other instant-ticket  
32 lottery games offered by the commission.

33           (3) The corporation shall market and advertise the lottery  
34 game operated under this section in a manner intended to inform  
35 the public that the game tickets are available for purchase and  
36 that the game proceeds are used to fund veterans programs in this  
37 state. The game tickets must clearly state that the game proceeds  
38 are used to benefit the veterans in this state. The Mississippi  
39 Veterans' Affairs Board may make recommendations to the  
40 Mississippi Lottery Corporation relating to the marketing and  
41 advertising of the game.

42           (4) The corporation shall encourage each sales agent that  
43 sells tickets to instant-ticket games or similar types of lottery  
44 games to sell tickets to the game operated under this section.

45           (5) No organization that would otherwise be eligible to  
46 receive funds from the state lottery account attributable to any  
47 lottery game authorized by this section may receive any such funds  
48 if it conducts illegal gambling or the illegal operation of  
49 gambling devices as defined by Mississippi law or allows illegal



50 gambling or the illegal operation of gambling devices to be  
51 conducted on its property or in its facilities.

52 **SECTION 2.** Section 27-115-5, Mississippi Code of 1972, is  
53 amended as follows:

54 27-115-5. As used in this chapter, the following words and  
55 phrases shall have the following meanings unless the context  
56 clearly requires otherwise:

57 (a) "Corporation" means the Mississippi Lottery  
58 Corporation.

59 (b) "Lottery" means any game of chance approved by the  
60 corporation and operated pursuant to this chapter, which utilizes  
61 the sale of paper tickets for various intrastate and multistate or  
62 multisovereign lottery games (such as Pick-3, Pick-4, Mega  
63 Millions, Powerball), and "instant tickets" as defined, but  
64 specifically excluding any form of "video lottery" or use of  
65 "video lottery terminal" as defined.

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

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

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



75 (f) "President" means the President of the Mississippi  
76 Lottery Corporation, who shall also serve as chief executive  
77 officer of the corporation.

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

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

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

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

89 (k) "Board" means the Mississippi Lottery Corporation  
90 Board of Directors.

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

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



100 or other representation of value (including, but not limited to,  
101 an electronic card, ticket or other thing on which value is  
102 recorded electronically) as consideration in order for play of a  
103 game to be available, and through which, as a result of the play  
104 of a game, the player may receive free games, credits redeemable  
105 for cash or a noncash prize, or some other thing of value, whether  
106 or not received directly from the device, or nothing, determined  
107 wholly or predominantly by chance.

108           (n) "Mississippi Veterans' Assistance Lottery" means  
109 any game of chance operated by the corporation under the  
110 provisions of Section 27-115-8, Mississippi Code of 1972, which  
111 utilizes the sale of paper tickets for various intrastate or  
112 multistate lottery games (such as Pick-3, Pick-4, Mega Millions,  
113 Powerball), and "instant tickets" as defined, but specifically  
114 excluding any form of "video lottery" or use of "video lottery  
115 terminal" as defined, for the benefit of the Fund for Veterans  
116 Assistance established under Section 27-115-51.

117           **SECTION 3.** Section 27-115-17, Mississippi Code of 1972, is  
118 amended as follows:

119           27-115-17. (1) The board shall not authorize, conduct or  
120 administer lottery games involving the use of a "video lottery  
121 terminal" as defined or any mobile or internet-based or  
122 monitor-based interactive game, or any simulated casino-style  
123 game, including video poker, video roulette, slot machines or  
124 video blackjack, or any variant of these prohibited games.



125           (2) The board may adopt administrative rules and regulations  
126 for the conduct of specific lottery games and operations,  
127 including, but not limited to, administrative rules and  
128 regulations specifying:

129           (a) The types of lottery games to be conducted which  
130 utilize the sale of paper tickets for various intrastate and  
131 multistate or multisoovereign lottery games (such as Pick-3,  
132 Pick-4, Mega Millions, Powerball) and "instant tickets" as  
133 defined.

134           (b) The sale price of tickets.

135           (c) The number and amount of prizes.

136           (d) The methods to be used in selling tickets for  
137 lottery games; provided, however, the corporation shall not permit  
138 any lottery game to be played or ticket to be purchased, sold or  
139 played by any method involving (i) a video lottery terminal or  
140 (ii) by any personal computer, tablet, smartphone, mobile device  
141 or other similar equipment or type of device.

142           (e) The methods and location of selecting or validating  
143 winning tickets.

144           (f) The frequency and the means of conducting drawings  
145 which shall be open to the public.

146           (g) The manner of payment of prizes.

147           (h) The frequency of games and drawings.

148           (i) The manner and amount of compensation to lottery  
149 retailers, except all compensation shall be uniform.



150 (j) Any other matters necessary to carry out this  
151 chapter and necessary for the efficient and effective operation of  
152 the lottery or for the convenience of the public.

153 (k) Rules and regulations for the conduct of the  
154 Mississippi Veterans' Lottery created in Section 27-115-8.

155 (3) In all other matters, the board shall advise and make  
156 recommendations. In addition, the board shall:

157 (a) Conduct hearings upon complaints charging  
158 violations of this chapter or of administrative rules and  
159 regulations adopted by the corporation and shall conduct such  
160 other hearings as may be provided by administrative rules and  
161 regulations.

162 (b) Periodically, review the performance of the  
163 corporation and:

164 (i) Advise the president and make recommendations  
165 to him or her regarding operations of the corporation; and

166 (ii) Identify potential improvements in this  
167 chapter, the administrative rules and regulations of the  
168 corporation, and the management of the corporation.

169 (c) Request from the corporation any information the  
170 board determines to be relevant to its duties.

171 (4) Nothing in this chapter shall be construed to govern,  
172 affect or limit gaming operations at a licensed gaming facility  
173 nor shall this chapter be construed to supersede or preempt the



174 authority of the Mississippi Gaming Commission as it relates to  
175 gaming operations occurring at a licensed gaming facility.

176 (5) Nothing in this chapter shall prohibit a licensed gaming  
177 facility under the Mississippi Gaming Commission from applying and  
178 operating as a lottery retailer under this chapter.

179 **SECTION 4.** Section 27-115-21, Mississippi Code of 1972, is  
180 amended as follows:

181 27-115-21. (1) The president, as chief executive officer of  
182 the corporation, shall direct and supervise all administrative and  
183 technical activities in accordance with the provisions of this  
184 chapter and within the administrative rules and regulations  
185 adopted by the board. The president shall:

186 (a) Supervise and administer the operation of the  
187 corporation, the lottery and its games.

188 (b) Employ and direct such personnel as may be  
189 necessary to carry out the purposes of this chapter and utilize  
190 such services, personnel or facilities of the corporation as he or  
191 she may deem necessary.

192 (c) Contract in accordance with the administrative  
193 rules and regulations adopted by the corporation with lottery  
194 retailers, and contract in accordance with the administrative  
195 rules and regulations adopted by the corporation relative to the  
196 Mississippi Veterans' Lottery with lottery retailers in accordance  
197 with Section 27-115-8.





198 (d) Make available for inspection by the board or any  
199 member of the board, upon request, all books, records, files, and  
200 other information and documents of his or her office and to advise  
201 the board and recommend such administrative rules and regulations  
202 and other matters he or she deems necessary and advisable to  
203 improve the operation and administration of the lottery.

204 (e) Subject to the limitations under Section 27-115-69,  
205 enter into any contract pursuant to this chapter with any person  
206 for the promotion and operation of the lottery or for the  
207 performance of any of the functions as provided in this chapter or  
208 administrative rules and regulations adopted by the board.

209 (f) Attend meetings of the board or appoint a designee  
210 to attend on his or her behalf.

211 (g) Not later than thirty (30) days before the  
212 beginning of the corporation's fiscal year, submit the proposed  
213 annual budget of the corporation and projected net proceeds to the  
214 board for review and approval. In addition, the proposed annual  
215 budget of the corporation shall include a personnel table  
216 reporting information for each full-time and part-time permanent  
217 position, as follows:

218 (i) The position title and the salary for each  
219 position in the existing operating budget for the current fiscal  
220 year, indicating whether each position is filled or vacant as of  
221 the reporting date.



222                   (ii) The position title and the salary recommended  
223 for each position for the next fiscal year.

224           (2) The president, with the approval of the board, may amend  
225 or modify the budget at any time in any manner deemed necessary  
226 for the proper operation of the corporation.

227           (3) Following his or her approval by the Governor and during  
228 his or her entire employment by the board, the president shall  
229 reside in Mississippi.

230           (4) The president and the board shall conduct an ongoing  
231 examination of the operation and administration of lotteries in  
232 other states and/or countries, including reviewing available  
233 literature on the subject \* \* \* of federal laws and regulations  
234 which may affect the operation of the lottery, and of the reaction  
235 of citizens of this state to existing or proposed features of  
236 lottery games with a view toward implementing improvements that  
237 will tend to serve the purposes of this chapter. The president  
238 may also establish one or more market or equipment research  
239 centers for lottery products and may establish lottery player  
240 information centers.

241           (5) The president shall require bond from corporate  
242 employees with access to corporate funds or lottery funds in such  
243 an amount as provided in the administrative rules and regulations  
244 of the board.

245           (6) The president may:



246 (a) Require bond from other employees as he or she  
247 deems necessary.

248 (b) For good cause, suspend, revoke or refuse to renew  
249 any contract entered into in accordance with this chapter or the  
250 administrative rules and regulations of the board.

251 (c) Upon specific or general approval of the board,  
252 conduct hearings and administer oaths to persons for the purpose  
253 of assuring the security or integrity of lottery operations, or to  
254 determine the qualifications or compliance by vendors and  
255 retailers.

256 (d) Upon specific or general approval of the board,  
257 enter into personal service contracts pursuant to administrative  
258 rules and regulations adopted by the board and compensate such  
259 consultants and technical assistants as may be required to carry  
260 out the provisions of this chapter.

261 (e) By agreement, secure information and services as he  
262 or she may deem necessary from any department, agency or unit of  
263 the federal, state or local government, and to the extent allowed  
264 by federal or state law, may compensate such department, agency or  
265 unit of government for its information and services.

266 (7) Agencies, departments or units of state government shall  
267 cooperate with the corporation to assure the integrity of the  
268 lottery and the effective operation of the lottery games.

269 **SECTION 5.** Section 27-115-51, Mississippi Code of 1972, is  
270 amended as follows:



271           27-115-51. (1) (a) All monies received by the corporation  
272 from the sale of lottery tickets and all other sources shall be  
273 deposited into a corporate operating account. Such account shall  
274 be established in a custodian financial institution domiciled in  
275 the State of Mississippi and insured by the Federal Deposit  
276 Insurance Corporation and collateralized as prescribed by Section  
277 27-105-5. The corporation may use all monies in the corporate  
278 operating account for the purposes of paying prizes and the  
279 necessary expenses of the corporation and dividends to the state.  
280 The corporation shall estimate and allocate the amount to be paid  
281 by the corporation to prizewinners.

282           (b) (i) The investment of monies in the corporate  
283 operating account, other than the amount specifically required for  
284 the purchase of securities for payment of deferred prizes, shall  
285 be invested in a manner prescribed by the board, consistent with  
286 law. Such securities purchased as investments by the corporation  
287 shall be issued in the name of the corporation and shall be kept  
288 at a custodian financial institution domiciled in the State of  
289 Mississippi insured by the Federal Deposit Insurance Corporation.

290           (ii) The investment of monies in the corporate  
291 operating account, other than the amount specifically required for  
292 the purchase of securities for deferred prize payments to winners,  
293 shall be invested only in securities in a manner prescribed by the  
294 board, consistent with law. Such securities purchased as  
295 investments by the corporation shall be issued in the name of the



296 corporation and shall be safe kept at a custodian financial  
297 institution domiciled in the State of Mississippi insured by the  
298 Federal Deposit Insurance Corporation.

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

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

304 (c) Within twenty (20) days following the close of each  
305 calendar month, the corporation shall transfer to the Lottery  
306 Proceeds Fund in the State Treasury the amount of net proceeds.

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

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

314 (ii) The payment of costs incurred in the  
315 operation and administration of the lottery, including the  
316 expenses of the corporation and the costs resulting from any  
317 contract or contracts entered into for promotional, advertising or  
318 operational services or for the purchase or lease of lottery  
319 equipment and materials, which in no case shall exceed fifteen  
320 percent (15%) of the total gross revenues accruing from the sale



321 of lottery tickets. However, this restriction shall not apply  
322 until after the first twelve (12) months of revenue generation.

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

331 (3) Money transferred to the Fund for Veterans' Assistance  
332 created herein from proceeds of the Veterans' Assistance Lottery  
333 Game created in Section 27-115-8 shall be used for the payment of  
334 prizes under the Veterans' Assistance Lottery and the payment of  
335 the costs incurred in the operation and administration of the  
336 lottery, and the balance after creation of a reserve sufficient to  
337 pay the amounts needed or estimated to be needed under the lottery  
338 shall be transferred on or before the fifteenth day of each month  
339 to the Veterans' Assistance Fund created herein. The Fund for  
340 Veterans' Assistance is a special fund hereby created in the State  
341 Treasury, composed of money transferred to the fund from the  
342 proceeds of the lottery game operated by the Mississippi Lottery  
343 Corporation under the Veterans' Assistance Lottery Game provided  
344 for in Section 27-115-8, Mississippi Code of 1972.



345           **SECTION 6.** This act shall take effect and be in force from  
346 and after July 1, 2024.

