

By: Representative Massengill

To: Appropriations A

## HOUSE BILL NO. 58

1 AN ACT TO AMEND SECTION 27-115-85, MISSISSIPPI CODE OF 1972,  
2 TO REVISE DISTRIBUTION OF LOTTERY PROCEEDS TO THE STATE HIGHWAY  
3 FUND; TO AMEND SECTION 75-76-129, MISSISSIPPI CODE OF 1972, TO  
4 REVISE DISTRIBUTION OF GAMING PROCEEDS TO THE STATE HIGHWAY FUND;  
5 TO DELETE THE REVERTER ON THE PROVISION OF LAW REQUIRING CERTAIN  
6 FEES COLLECTED UNDER THE MISSISSIPPI GAMING CONTROL ACT AS A  
7 RESULT OF WAGERS ON SPORTING EVENTS TO BE DEPOSITED INTO THE STATE  
8 HIGHWAY FUND AND USED SOLELY FOR THE REPAIR AND MAINTENANCE OF  
9 STATE HIGHWAYS AND BRIDGES; TO BRING FORWARD SECTION 27-115-51,  
10 MISSISSIPPI CODE OF 1972, WHICH PROVIDES FOR THE DEPOSIT OF MONIES  
11 RECEIVED FROM SALES OF LOTTERY TICKETS, FOR PURPOSES OF AMENDMENT;  
12 AND FOR RELATED PURPOSES.

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

14 **SECTION 1.** Section 27-115-85, Mississippi Code of 1972, is  
15 amended as follows:

16 27-115-85. \* \* \* All net proceeds generated by the Alyce G.  
17 Clarke Mississippi Lottery Law, created pursuant to this chapter  
18 and deposited into the Lottery Proceeds Fund under Section  
19 27-115-51(2), except as otherwise provided in this section, shall  
20 be paid into the State Highway Fund by warrant issued by the State  
21 Fiscal Officer upon requisition of the State Transportation  
22 Commission as needed to provide funds to construct, repair,  
23 renovate and maintain highways and bridges of the state; however,



funds paid into the State Highway Fund under this section shall be first used for matching federal funds authorized to the state pursuant to any federal highway infrastructure program implemented after September 1, 2018. \* \* \*

**SECTION 2.** Section 75-76-129, Mississippi Code of 1972, is amended as follows:

\* \* \*

75-76-129. (1) On or before the last day of each month all taxes, fees, interest, penalties, damages, fines or other monies collected by the Department of Revenue during that month under the provisions of this chapter, with the exception of (a) the local government fees imposed under Section 75-76-195, and (b) an amount equal to Three Million Dollars (\$3,000,000.00) of the revenue collected pursuant to the fee imposed under Section 75-76-177(1)(c), and (c) the revenue collected pursuant to the fee imposed under Section 75-76-177(1)(c) as a result of wagers on sporting events shall be paid by the Department of Revenue to the State Treasurer to be deposited in the \* \* \* State Highway Fund to be used solely for the construction, repair and maintenance of highways and bridges of the State of Mississippi. This revenue shall be used first for matching funds made available to the state for such purposes pursuant to any federal highway infrastructure program implemented after September 1, 2018. The local government fees shall be distributed by the Department of Revenue pursuant to Section 75-76-197.



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

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

\* \* \*

**SECTION 3.** Section 27-115-51, Mississippi Code of 1972, is amended as follows:

27-115-51. (1) (a) All monies received by the corporation from the sale of lottery tickets and all other sources shall be deposited into a corporate operating account. Such account shall be established in a custodian financial institution domiciled in the State of Mississippi and insured by the Federal Deposit Insurance Corporation and collateralized as prescribed by Section 27-105-5. The corporation may use all monies in the corporate operating account for the purposes of paying prizes and the necessary expenses of the corporation and dividends to the state.



74 The corporation shall estimate and allocate the amount to be paid  
75 by the corporation to prizewinners.

76 (b) (i) The investment of monies in the corporate  
77 operating account, other than the amount specifically required for  
78 the purchase of securities for payment of deferred prizes, shall  
79 be invested in a manner prescribed by the board, consistent with  
80 law. Such securities purchased as investments by the corporation  
81 shall be issued in the name of the corporation and shall be kept  
82 at a custodian financial institution domiciled in the State of  
83 Mississippi insured by the Federal Deposit Insurance Corporation.

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

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

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



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

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

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

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

117 (2) A Lottery Proceeds Fund is hereby established in the  
118 State Treasury. Net proceeds shall be deposited into this fund as  
119 provided in subsection (1) of this section. Monies deposited into  
120 the Lottery Proceeds Fund shall be invested by the state in  
121 accordance with state investment practices, and all earnings from  
122 such investments shall accrue to this account. No monies shall be



123 allotted or expended from this account unless pursuant to a  
124 warrant issued as provided under Section 27-115-85.

125       **SECTION 4.** This act shall take effect and be in force from  
126 and after July 1, 2025.

