

By: Representatives Reeves, Guice, Bourdeaux To: Ways and Means

HOUSE BILL NO. 997
(As Sent to Governor)

1 AN ACT TO AMEND SECTION 97-33-107, MISSISSIPPI CODE OF 1972,
2 TO AUTHORIZE THE MISSISSIPPI GAMING COMMISSION TO ASSESS FEES ON
3 THE NET PROCEEDS OF ELECTRONIC BINGO MACHINES AND ELECTRONIC
4 PULL-TAB MACHINES AND TO REDUCE THE AMOUNT OF THE FEES THAT ARE
5 ASSESSED AND COLLECTED ON PULL-TABS, ELECTRONIC BINGO MACHINES AND
6 ELECTRONIC PULL-TAB MACHINES; TO AMEND SECTIONS 97-33-201 AND
7 97-33-203, MISSISSIPPI CODE OF 1972, TO REMOVE THE REQUIREMENT
8 THAT A COMMERCIAL LESSOR OBTAIN A LICENSE FROM THE GAMING
9 COMMISSION; TO AUTHORIZE THE GAMING COMMISSION TO DETERMINE WHAT
10 IS A REASONABLE MARKET RENTAL RATE FOR PURPOSES OF DETERMINING
11 WHETHER THE PAYMENT REQUIRED IN A LEASE OF PREMISES BY A
12 COMMERCIAL LESSOR TO A CHARITABLE ORGANIZATION IS EXCESSIVE; AND
13 FOR RELATED PURPOSES.

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

15 SECTION 1. Section 97-33-107, Mississippi Code of 1972, is
16 amended as follows:

17 97-33-107. In connection with its regulation of charitable
18 bingo games, the commission shall have the following functions,
19 duties and responsibilities:

20 (a) To issue and renew annual state licenses required
21 by law for organizations conducting bingo games and for
22 manufacturers, distributors or operators of supplies or equipment
23 for such games * * *;

24 (b) To assess and collect fees not to exceed two and
25 one-half percent (2-1/2%) of the net proceeds of pull-tabs,
26 electronic bingo machines and electronic pull-tab machines, which
27 fees shall be limited to the amounts necessary to administer the
28 Charitable Bingo Law;

29 (c) To assess and collect fees equal to one percent
30 (1%) of the gross proceeds of each bingo session conducted by a
31 Class "A" charitable organization and equal to one-half (1/2) of

32 one percent (1%) of the gross proceeds of each bingo session
33 conducted by a Class "B" or a Class "C" charitable organization;
34 provided, however, that the fees assessed and collected under this
35 subsection (c) shall not apply to pull-tabs, * * * electronic
36 bingo machines or * * * electronic pull-tab machines as described
37 in subsection (b) above; and provided, that the fees shall not be
38 collected in any bingo session held by a religious organization
39 which has been in existence for ten (10) years or longer, held on
40 the premises owned by the religious organization, and held without
41 any person being compensated for operating the game, and until the
42 gross proceeds of bingo games conducted by such organization
43 exceed Fifty Thousand Dollars (\$50,000.00) during the calendar
44 year;

45 (d) To deny applications for licensure or license
46 renewal and to issue orders for suspension or revocation of
47 licenses issued pursuant to Sections 97-33-51 through 97-33-203;

48 (e) To monitor licensees to ensure compliance with all
49 provisions of law and regulations relative to charitable bingo
50 games through routine scheduled and unscheduled inspections,
51 investigations and audits;

52 (f) To enforce all provisions of law and regulations
53 relative to charitable bingo games and to assist local law
54 enforcement agencies in these enforcement responsibilities and
55 bingo enforcement agents shall have the powers of a peace officer;

56 (g) To establish and assess penalties for violations of
57 regulations relative to charitable bingo games;

58 (h) To familiarize the members of organizations which
59 conduct charitable bingo games of chance, with provisions of the
60 Charitable Bingo Law and other applicable laws and regulations;

61 (i) To adopt rules and regulations to provide for the
62 sale or transfer of surplus supplies or equipment from one
63 licensed organization to another and such other rules and
64 regulations as are necessary to carry out the purposes and
65 functions of Sections 97-33-51 through 97-33-203, including the
66 adoption of rules and regulations pursuant to Section 97-33-69(10)
67 which may provide for differing requirements, with regard to the
68 number of participants, sessions, amount of prizes offered,

69 proceeds received or other factors which affect the regulatory and
70 administrative burdens on organizations operating charitable bingo
71 games, for a certain class of organizations, provided that such
72 rules and regulations shall be no more restrictive than the
73 provisions of law that govern such factors;

74 (j) To prescribe rules and regulations creating a class
75 of organizations that are exempt from the purchase of reprinted
76 tickets as provided for in paragraph (c) of this section based on
77 the number of participants or the amount of prizes offered or
78 other factors which affect the regulatory and administrative
79 burdens on the organizations imposed by the commission; and

80 (k) To establish the classes described in this
81 paragraph of charitable organizations that are licensed to conduct
82 bingo games and to prescribe rules and regulations to provide for
83 differing reporting requirements imposed upon each different
84 class; provided that such rules and regulations shall be no more
85 restrictive than the provisions of law that relate to reporting
86 requirements. Such classes of organizations are as follows:

87 (i) Class "A" shall be composed of licensed
88 charitable organizations which conduct bingo games in which the
89 prizes awarded total an aggregate amount in excess of Five
90 Thousand Dollars (\$5,000.00) per session;

91 (ii) Class "B" shall be composed of licensed
92 charitable organizations which conduct bingo games in which the
93 prizes awarded total an aggregate amount of not less than Two
94 Thousand Five Hundred Dollars (\$2,500.00) and not more than Five
95 Thousand Dollars (\$5,000.00);

96 (iii) Class "C" shall be composed of licensed
97 charitable organizations which conduct bingo games in which the
98 prizes awarded total an aggregate amount of less than Two Thousand
99 Five Hundred Dollars (\$2,500.00).

100 SECTION 2. Section 97-33-201, Mississippi Code of 1972, is
101 amended as follows:

102 97-33-201. (1) (a) Any organization or person seeking
103 licensure as a manufacturer, distributor or operator of bingo
104 gaming supplies or equipment, * * * shall submit an application to
105 the commission on forms provided for such purposes. Such
106 application shall contain such information as may be reasonably
107 required by rules of the commission. The application shall be
108 accompanied by a fee as established by the commission. * * *

109 (b) The commission shall investigate all applications
110 for licensure and, in addition to the information required on the
111 application, may require the applicant to furnish such additional
112 information as it deems necessary.

113 (2) The commission shall not issue a license under this
114 section to:

115 (a) Any person who has been convicted of certain
116 related offenses as established by the commission or who presently
117 has such a charge pending in any state or federal court;

118 (b) Any person who has ever been convicted of a
119 gambling-related offense in any state or federal court;

120 (c) Any person who is or has ever been a professional
121 gambler;

122 (d) Any firm, organization or corporation in which any
123 person as described in paragraphs (a) through (c) of this
124 subsection is an officer or director, whether compensated or not,
125 or in which such person has a direct or indirect financial
126 interest;

127 (e) Any person, firm, organization, entity or
128 corporation which has a direct or indirect financial interest in a
129 licensed charity.

130 (3) The commission may deny an application for licensure,
131 refuse to renew a license, or suspend or revoke a license for any
132 reason consistent with the purposes of Sections 97-33-201 and
133 97-33-203 which it deems to be in the interest of the public.
134 However, policies regarding such denial, suspension, revocation or

135 refusal to renew shall be established by rule and regulation.

136 (4) Any significant change in the information submitted on
137 its application for licensure shall be filed by a licensee with
138 the commission within ten (10) days of the change. A significant
139 change shall include but not be limited to any change in the
140 officers, directors, managers, proprietors or persons having a
141 direct or indirect financial interest in any licensed organization
142 or entity.

143 SECTION 3. Section 97-33-203, Mississippi Code of 1972, is
144 amended as follows:

145 97-33-203. * * * (1) No lease of any premises by a
146 commercial lessor to any charitable organization for a charitable
147 bingo game shall provide for payment in excess of the reasonable
148 market rental rate for such premises * * *. The commission shall
149 determine whether a market rental rate for such premises is
150 reasonable. No lease shall provide for rental for less than a
151 five-hour session. No more than two (2) sessions shall be
152 conducted within one (1) day and more often than eight (8)
153 sessions in any one (1) week on the premises of a commercial
154 lessor. Any licensee who holds no more than one (1) session per
155 week shall be entitled to conduct one (1) six-hour session per
156 week.

157 (2) No commercial lessor shall require the payment of any
158 other cost or fee from an organization licensed to hold, operate
159 or conduct bingo games other than the rental amount provided for
160 by the rental agreement or contract or charge admission fees to
161 persons entering the premises to participate in the games.

162 (3) No commercial lessor leasing premises for authorized
163 charitable bingo game activities shall enter into any agreement
164 with a distributor of gaming supplies for the use, purchase,
165 promotion or sale of supplies to be used in such bingo games.

166 SECTION 4. This act shall take effect and be in force from
167 and after July 1, 1999.