

By: Senator(s) Tindell, Simmons (12th)

To: Judiciary, Division A

SENATE BILL NO. 2896

1 AN ACT TO AMEND SECTION 97-33-301, MISSISSIPPI CODE OF 1972,
 2 TO MAKE A TECHNICAL CORRECTION TO THE SHORT TITLE OF THE FANTASY
 3 CONTEST ACT; TO AMEND SECTION 97-33-303, MISSISSIPPI CODE OF 1972,
 4 TO REVISE DEFINITIONS; TO AMEND SECTION 97-33-305, MISSISSIPPI
 5 CODE OF 1972, TO REVISE REQUIREMENTS THAT APPLY TO FANTASY
 6 CONTESTS; TO AMEND SECTION 97-33-307, MISSISSIPPI CODE OF 1972, TO
 7 REVISE LICENSURE OF FANTASY CONTEST OPERATORS; TO AMEND SECTION
 8 97-33-309, MISSISSIPPI CODE OF 1972, TO REVISE PENALTIES THAT
 9 APPLY TO VIOLATIONS OF THE ACT; TO AMEND SECTION 97-33-311,
 10 MISSISSIPPI CODE OF 1972, TO CONFORM; TO AMEND SECTION 97-33-313,
 11 MISSISSIPPI CODE OF 1972, TO PROVIDE FOR DISCIPLINARY ACTION; TO
 12 AMEND SECTION 97-33-315, MISSISSIPPI CODE OF 1972, TO CLARIFY THE
 13 INVESTIGATIVE AND ADMINISTRATIVE AUTHORITY OF THE GAMING
 14 COMMISSION; TO CREATE NEW CODE SECTION 97-33-317, MISSISSIPPI CODE
 15 OF 1972, TO IMPOSE A FEE ON FANTASY CONTEST OPERATORS WHO OFFER
 16 FANTASY CONTESTS IN THIS STATE; TO AMEND SECTIONS 75-76-5 AND
 17 75-76-33, MISSISSIPPI CODE OF 1972, TO CONFORM; AND FOR RELATED
 18 PURPOSES.

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

20 **SECTION 1.** Section 97-33-301, Mississippi Code of 1972, is
 21 amended as follows:

22 97-33-301. Sections 97-33-301 through 97-33- * * *317 shall
 23 be known as the "Fantasy Contest Act."

24 **SECTION 2.** Section 97-33-303, Mississippi Code of 1972, is
 25 amended as follows:



26 97-33-303. As used in Sections 97-33-301 through
27 97-33- * * *317, the following terms shall have the meanings
28 ascribed unless the context requires otherwise:

29 (a) "Cash prize" means winnings in the form of cash or
30 cash equivalents and includes credits to a player's account with
31 an operator.

32 (b) "Commission" means the Mississippi Gaming
33 Commission created in Section 75-76-7.

34 (* * *c) "Confidential information" means information
35 related to the play of a fantasy contest by fantasy contest
36 players obtained as a result of or by virtue of a person's
37 employment.

38 (* * *d) "Entry fee" means cash or a cash equivalent
39 that is required to be paid * * * to * * * an operator to
40 participate in a fantasy contest.

41 (e) "Executive director" means the Executive Director
42 of the Mississippi Gaming Commission.

43 (* * *f) "Fantasy contest" or " * * *contest * * *"
44 means a * * * simulated game * * * in which:

45 * * *

46 (* * *i) * * * Winning outcomes * * * are
47 determined predominately by accumulated statistical results of the
48 performance of * * * individual athletes in * * * actual sporting
49 events; and



50 (* * *ii) Winning outcomes are not based on the
51 score, point spread, or any performance of any single actual
52 sports team or combination of * * * teams or solely on any single
53 performance of an individual athlete in any single actual sporting
54 event.

55 (g) "Highly experienced player" means an individual who
56 has:

57 (i) Entered more than one thousand (1,000)
58 contests offered by a particular operator; or

59 (ii) Won more than three (3) prizes which are each
60 valued at One Thousand Dollars (\$1,000.00) or more from a
61 particular operator.

62 (* * *h) " * * *Operator" or "fantasy contest
63 operator" means a person or entity that offers fantasy
64 contests * * *, requires an entry fee, and * * * offers a cash
65 prize * * *.

66 (* * *i) " * * *Player" means a person who
67 participates in a fantasy contest offered by * * * an operator.

68 * * *

69 (j) "Sporting event" means an athletic game or team
70 competition in which an individual athlete's performance is used
71 to accumulate statistical results.

72 **SECTION 3.** Section 97-33-305, Mississippi Code of 1972, is
73 amended as follows:



74 97-33-305. (1) Fantasy contests * * * are legal in this
75 state. A fantasy contest operator must comply with the provisions
76 of this section if the operator's total player roster for all
77 fantasy contests consists of one hundred (100) or more members of
78 the general public.

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

81 (a) Prevent employees of the * * * operator, and
82 relatives living in the same household with an employee of an
83 operator, from competing in public fantasy contests offered
84 by * * * an operator in which the operator offers a cash prize;

85 (b) Prevent sharing with third parties of confidential
86 information that could affect * * * fantasy contest play until the
87 information is made publicly available;

88 (c) Prevent the * * * operator from participating in a
89 fantasy contest * * * offered by the operator;

90 (d) Verify that a fantasy contest player * * * is
91 eighteen (18) years of age or older except as required in Section
92 97-33-307(5);

93 (e) Ensure that individuals who participate or
94 officiate in a * * * sporting event or who own, manage or coach a
95 team or player who participates in a sporting event will * * * not
96 knowingly be allowed to enter a fantasy contest that is
97 determined, in whole or in part, on * * * accumulated statistical
98 results * * * that include a sporting event in which the



99 individual could be involved as an athlete, official, owner,
100 manager or coach;

101 (f) Allow individuals to restrict themselves from
102 entering a fantasy contest upon request and provide reasonable
103 steps to prevent the person from entering fantasy contests offered
104 by the operator;

105 (g) Disclose the number of entries that a * * * player
106 may submit to each fantasy contest and provide reasonable steps to
107 prevent players from submitting more than the allowable
108 number; * * *

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

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

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

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

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



124 1. Three percent (3%) of all entries; or

125 2. One hundred fifty (150) entries.

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

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

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

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

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

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

145 (* * *k) Segregate fantasy contest player funds from
146 operational funds * * * or maintain a reserve in the form of cash,
147 cash equivalents, payment processor reserves and receivables, an
148 irrevocable letter of credit, a bond, or a combination thereof, in



149 the amount of the * * * total account balances of the fantasy
150 contest players for the benefit and protection of the funds held
151 in the accounts.

152 (3) * * * An operator shall not offer contests based on the
153 performance of participants in collegiate, high-school or youth
154 sports events.

155 (4) A fantasy contest operator offering fantasy contests
156 with an entry fee in this state * * * shall comply with audit
157 procedures adopted by the commission to ensure compliance with
158 this section * * *.

159 (5) (a) Advertisements for contests and prizes offered by a
160 operator shall not target prohibited participants, minors, or
161 self-excluded persons.

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

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

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

170 (6) Operators shall prohibit the use of third-party scripts
171 or scripting programs for any contest and ensure that measures are
172 in place to deter, detect and, to the extent reasonably possible,
173 prevent cheating, including collusion, and the use of cheating



174 devices, including use of software programs that submit entry fees
175 or adjust the athletes selected by a player.

176 (7) The value of all prizes and awards offered to winning
177 players must be established and made known to the players in
178 advance of the contest.

179 **SECTION 4.** Section 97-33-307, Mississippi Code of 1972, is
180 amended as follows:

181 97-33-307. (1) * * * An operator offering fantasy contests
182 to be played by persons in this state must * * * obtain a license
183 from the * * * commission to conduct fantasy contests within this
184 state.

185 (2) * * * An operator offering fantasy contests within this
186 state must be lawfully conducting business within this state.

187 (3) * * * Application for licensure shall be made to the
188 executive director on forms furnished by the executive director
189 and in accordance with the regulations of the commission. The
190 application shall include:

191 (a) The name of the proposed licensee.

192 (b) The location of his place or places of business.

193 (c) The names of all persons directly or indirectly
194 interested in the business and the nature of such interest.

195 (d) Complete information and details with respect to
196 the applicant's antecedents, habits, character, business
197 activities, financial affairs and business associates, covering at



198 least a ten-year period immediately preceding the date of the
199 application.

200 (e) The applicant's criminal history.

201 (f) Evidence of compliance with Section 97-33-305(2).

202 (g) Such other information and details as the
203 commission or the executive director may require in order to
204 discharge their duties properly.

205 (4) * * * An application for a license to conduct
206 fantasy contests shall not be granted unless the applicant has
207 satisfied the commission that:

208 (a) The applicant has adequate business probity,
209 competence and experience; and

210 (b) The proposed financing of the entire operation is:

211 (i) Adequate for the nature of the proposed
212 operation; and

213 (ii) From a suitable source; any lender or other
214 source of money or credit which the commission finds does not meet
215 the standards set forth in this paragraph (b) may be deemed
216 unsuitable.

217 (c) An application for a license to conduct fantasy
218 contests constitutes a request for a determination of the general
219 character, integrity and ability to participate or engage in, or
220 be associated with fantasy contests of any individual associated
221 with the applicant. Any written or oral statement made in the
222 course of an official proceeding of the commission or the



223 executive director or any testimony of a witness testifying under
224 oath that is relevant to the purpose of the proceeding is
225 absolutely privileged and does not impose liability for defamation
226 or constitute a ground for recovery in any civil action.

227 (d) The commission, in its discretion, may grant a
228 license to a corporation that has complied with the provisions of
229 Sections 97-33-301 through 97-33-317.

230 (e) The commission, in its discretion, may grant a
231 license to a limited partnership that has complied with the
232 provisions of Sections 97-33-301 through 97-33-317.

233 (f) No limited partnership, except one whose sole
234 limited partner is a publicly traded corporation that is licensed
235 by the commission, or business trust or organization or other
236 association of a quasi-corporate character is eligible to receive
237 or hold any license under Sections 97-33-301 through 97-33-317
238 unless all persons having any direct or indirect interest therein
239 of any nature whatsoever, whether financial, administrative,
240 policymaking or supervisory, are individually qualified to be
241 licensed under the provisions of Sections 97-33-301 through
242 97-33-317.

243 (5) Only a licensee under the Gaming Control Act may offer
244 on-premises fantasy contests in the licensee's licensed gaming
245 establishment. It is illegal to offer on-premises fantasy
246 contests * * * at any other commercial or business establishment.
247 An operator offering on-premises fantasy contests under this



248 subsection (5) must verify that a fantasy contest player is
249 twenty-one (21) years of age or older.

250 (6) Each applicant for licensure as a fantasy contest
251 operator shall pay an application fee of Five Thousand Dollars
252 (\$5,000.00). A license is valid for three (3) years.

253 **SECTION 5.** Section 97-33-309, Mississippi Code of 1972, is
254 amended as follows:

255 97-33-309. A person, firm, corporation, association, agent
256 or employee violating the Fantasy Contest Act shall be subject to
257 a civil penalty of not more than * * *, One Thousand Dollars
258 (\$1,000.00) for each separate violation not to exceed Fifty
259 Thousand Dollars (\$50,000.00) which shall accrue to the
260 state * * * as an administrative remedy as established in Section
261 97-33-315.

262 **SECTION 6.** Section 97-33-311, Mississippi Code of 1972, is
263 amended as follows:

264 97-33-311. The Gaming Control Act shall not apply to fantasy
265 contests, except as authorized in Sections 97-33-301 through
266 97-33- * * * 317.

267 **SECTION 7.** Section 97-33-313, Mississippi Code of 1972, is
268 amended as follows:

269 97-33-313. (1) Disputes over winnings shall be resolved
270 under the procedures set forth in Sections 75-76-157 through
271 75-76-173.



272 (2) Failure to notify the executive director or patron as
273 provided in Section 75-76-159 is grounds for disciplinary action
274 pursuant to Section 97-33-315.

275 **SECTION 8.** Section 97-33-315, Mississippi Code of 1972, is
276 amended as follows:

277 97-33-315. * * * (1) The executive director shall make
278 appropriate investigations:

279 (a) To determine whether there has been any violation
280 of Sections 97-33-301 through 97-33-317 or of any regulations
281 adopted thereunder.

282 (b) To determine any facts, conditions, practices or
283 matters which it may deem necessary or proper to aid in the
284 enforcement of any such law or regulation.

285 (c) To aid in adopting regulations.

286 (d) To secure information as a basis for recommending
287 legislation relating to Sections 97-33-301 through 97-33-317.

288 (e) To determine annual compliance with Sections
289 97-33-301 through 97-33-317.

290 (2) If after any investigation the executive director is
291 satisfied that a license should be limited, conditioned, suspended
292 or revoked, he shall initiate a hearing by filing a complaint with
293 the commission and transmit therewith a summary of evidence in his
294 possession bearing on the matter and the transcript of testimony
295 at any investigative hearing conducted by or on behalf of the
296 executive director to the licensee.



297 (3) Upon receipt of the complaint of the executive
298 director, the commission shall review all matter presented in
299 support thereof and shall appoint a hearing examiner to conduct
300 further proceedings.

301 (4) After proceedings required by Sections 97-33-301
302 through 97-33-317, the hearing examiner may recommend that the
303 commission take any or all of the following actions:

304 (a) As to operations at a licensed gaming establishment
305 under Section 97-33-307(5):

306 (i) Limit, condition, suspend or revoke the
307 license of any licensed gaming establishment or the individual
308 license of any licensee without affecting the license of the
309 establishment; and

310 (ii) Order an operator to exclude an individual
311 licensee from the operation of the registered business or not to
312 pay the licensee any remuneration for services or any profits,
313 income or accruals on his investment in the licensed gaming
314 establishment;

315 (b) Limit, condition, suspend or revoke any license
316 granted to any applicant by the commission;

317 (c) Fine each licensee for any act or transaction for
318 which commission approval was required or permitted, as provided
319 in Section 97-33-309.

320 (5) The hearing examiner shall prepare a written decision
321 containing his recommendation to the commission and shall serve it



322 on all parties. Any party disagreeing with the hearing examiner's
323 recommendation may ask the commission to review the recommendation
324 within ten (10) days of service of the recommendation. The
325 commission may hold a hearing to consider the recommendation
326 whether there has been a request to review the recommendation or
327 not.

328 (6) If the commission decides to review the
329 recommendation, it shall give notice of that fact to all parties
330 within thirty (30) days of the recommendation and shall schedule a
331 hearing to review the recommendation. The commission's review
332 shall be de novo but shall be based upon the evidence presented
333 before the hearing examiner. The commission may remand the case
334 to the hearing examiner for the presentation of additional
335 evidence upon a showing of good cause why the evidence could not
336 have been presented at the previous hearing.

337 (7) If the commission does not decide to review the
338 recommendation within thirty (30) days, the recommendation becomes
339 the final order of the commission.

340 (8) If the commission limits, conditions, suspends or
341 revokes any license, or imposes a fine, it shall issue its written
342 order therefor after causing to be prepared and filed the hearing
343 examiner's written decision upon which the order is based.

344 (9) Any limitation, condition, revocation, suspension or
345 fine is effective until reversed upon judicial review, except that



346 the commission may stay its order pending a rehearing or judicial
347 review upon such terms and conditions as it deems proper.

348 (10) Judicial review of an order or decision of the
349 commission may be had to the Chancery Court of the First Judicial
350 District of Hinds County as a case in equity.

351 (11) A license is automatically revoked if the individual
352 is convicted of a felony in any court of this state, another
353 state, or the United States or if the individual is convicted of a
354 crime in any court of another state or the United States which, if
355 committed in this state, would be a felony. An appeal from the
356 conviction shall not act as a supersedeas to the revocation
357 required by this subsection.

358 **SECTION 9.** The following shall be codified as Section
359 97-33-317, Mississippi Code of 1972:

360 97-33-317. (1) For the privilege of conducting fantasy
361 sports contests in Mississippi, licensees shall pay to the
362 Department of Revenue a fee equivalent to eight percent (8%) of
363 the operator's net Mississippi revenue.

364 (2) "Net Mississippi revenue" means the amount equal to the
365 total of all fantasy contest entry fees that an operator collects
366 from all players, less the total of all sums paid out as cash
367 prizes to all fantasy contest players, multiplied by the location
368 percentage for Mississippi. "Location percentage" means, for each
369 fantasy contest, the percentage of the total entry fees collected
370 from players located in Mississippi, divided by the total entry



371 fees collected by that operator from all players in fantasy
372 contests, rounded to the nearest one-hundredth of a percent.

373 (3) (a) The Commissioner of Revenue shall assess and
374 collect all taxes, fees, interest, penalties, damages and fines
375 imposed by this chapter, and is hereby empowered to promulgate
376 rules and regulations to administer collection of the amounts due.
377 Records or other documents submitted by the licensee, or on
378 behalf of the licensee, to the Mississippi Gaming Commission or
379 executive director shall be made available to the Commissioner of
380 Revenue or his authorized agent upon written request.

381 (b) The license fees levied by this chapter shall be
382 due quarterly for the periods January through March, April through
383 June, July through September and October through December, and
384 payable on or before the twentieth day of the month next
385 succeeding the month in which the fees accrue. The licensee shall
386 make a return showing the net Mississippi revenue and compute the
387 fee due for the period.

388 (c) All administrative provisions of the sales tax law,
389 and amendments thereto, including those which provide for
390 collection and administrative appeals procedures, fix damages,
391 penalties and interest for failure to comply with the provisions
392 of said sales tax law, and all other requirements and duties
393 imposed upon any licensee or taxpayer, shall apply to all persons
394 liable for taxes, fees and all other monies imposed under the
395 provisions of this chapter. However, fines or other assessments



396 levied by the Mississippi Gaming Commission or the executive
397 director will not be considered due and payable until thirty (30)
398 days after final determination of the fines or assessments. The
399 Commissioner of Revenue shall exercise all power and authority and
400 perform all duties with respect to licensees or taxpayers under
401 this chapter as are provided in the sales tax law, except where
402 there is conflict, then the provisions of this chapter shall
403 control.

404 (d) Determination and assessment of taxes, fees,
405 licenses, interest, penalties, damages and fines under this
406 chapter by the Commissioner of Revenue, the Executive Director of
407 the Mississippi Gaming Commission or the Mississippi Gaming
408 Commission shall be prima facie correct.

409 (e) Fees authorized under this section shall be
410 deposited into the State General Fund as authorized by law.

411 **SECTION 10.** Section 75-76-5, Mississippi Code of 1972, is
412 amended as follows:

413 75-76-5. As used in this chapter, unless the context
414 requires otherwise:

415 (a) "Applicant" means any person who has applied for or
416 is about to apply for a state gaming license, registration or
417 finding of suitability under the provisions of this chapter or
418 approval of any act or transaction for which approval is required
419 or permitted under the provisions of this chapter.



420 (b) "Application" means a request for the issuance of a
421 state gaming license, registration or finding of suitability under
422 the provisions of this chapter or for approval of any act or
423 transaction for which approval is required or permitted under the
424 provisions of this chapter but does not include any supplemental
425 forms or information that may be required with the application.

426 (c) "Associated equipment" means any equipment or
427 mechanical, electromechanical or electronic contrivance, component
428 or machine used remotely or directly in connection with gaming or
429 with any game, race book or sports pool that would not otherwise
430 be classified as a gaming device, including dice, playing cards,
431 links which connect to progressive slot machines, equipment which
432 affects the proper reporting of gross revenue, computerized
433 systems of betting at a race book or sports pool, computerized
434 systems for monitoring slot machines, and devices for weighing or
435 counting money.

436 (d) "Chairman" means the Chairman of the Mississippi
437 Gaming Commission except when used in the term "Chairman of the
438 State Tax Commission." "Chairman of the State Tax Commission" or
439 "commissioner" means the Commissioner of Revenue of the Department
440 of Revenue.

441 (e) "Commission" or "Mississippi Gaming Commission"
442 means the Mississippi Gaming Commission.

443 (f) "Commission member" means a member of the
444 Mississippi Gaming Commission.



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

449 (h) "Enforcement division" means a particular division
450 supervised by the executive director that provides enforcement
451 functions.

452 (i) "Establishment" means any premises wherein or
453 whereon any gaming is done.

454 (j) "Executive director" means the Executive Director
455 of the Mississippi Gaming Commission.

456 (k) Except as otherwise provided by law, "game," or
457 "gambling game" means any banking or percentage game played with
458 cards, with dice or with any mechanical, electromechanical or
459 electronic device or machine for money, property, checks, credit
460 or any representative of value, including, without limiting, the
461 generality of the foregoing, faro, monte, roulette, keno, fan-tan,
462 twenty-one, blackjack, seven-and-a-half, big injun, klondike,
463 craps, poker, chuck-a-luck (dai shu), wheel of fortune, chemin de
464 fer, baccarat, pai gow, beat the banker, panguingui, slot machine,
465 or any other game or device approved by the commission. However,
466 "game" or "gambling game" shall not include bingo games or raffles
467 which are held pursuant to the provisions of Section 97-33-51, or
468 the illegal gambling activities described in Section 97-33-8.



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

472 (1) "Gaming" or "gambling" means to deal, operate,
473 carry on, conduct, maintain or expose for play any game as defined
474 in this chapter.

475 (m) "Gaming device" means any mechanical,
476 electromechanical or electronic contrivance, component or machine
477 used in connection with gaming or any game which affects the
478 result of a wager by determining win or loss. The term includes a
479 system for processing information which can alter the normal
480 criteria of random selection, which affects the operation of any
481 game, or which determines the outcome of a game. The term does
482 not include a system or device which affects a game solely by
483 stopping its operation so that the outcome remains undetermined,
484 and does not include any antique coin machine as defined in
485 Section 27-27-12.

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

- 489 (i) Boxmen;
490 (ii) Cashiers;
491 (iii) Change personnel;
492 (iv) Counting room personnel;
493 (v) Dealers;



- 494 (vi) Floormen;
- 495 (vii) Hosts or other persons empowered to extend
496 credit or complimentary services;
- 497 (viii) Keno runners;
- 498 (ix) Keno writers;
- 499 (x) Machine mechanics;
- 500 (xi) Security personnel;
- 501 (xii) Shift or pit bosses;
- 502 (xiii) Shills;
- 503 (xiv) Supervisors or managers; and
- 504 (xv) Ticket writers.

505 The term "gaming employee" also includes employees of
506 manufacturers or distributors of gaming equipment within this
507 state whose duties are directly involved with the manufacture,
508 repair or distribution of gaming equipment.

509 "Gaming employee" does not include bartenders, cocktail
510 waitresses or other persons engaged in preparing or serving food
511 or beverages unless acting in some other capacity.

512 (o) "Gaming license" means any license issued by the
513 state which authorizes the person named therein to engage in
514 gaming.

515 (p) "Gross revenue" means the total of all of the
516 following, less the total of all cash paid out as losses to
517 patrons and those amounts paid to purchase annuities to fund



518 losses paid to patrons over several years by independent financial
519 institutions:

520 (i) Cash received as winnings;

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

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

525 For the purposes of this definition, cash or the value of
526 noncash prizes awarded to patrons in a contest or tournament are
527 not losses.

528 The term does not include:

529 (i) Counterfeit money or tokens;

530 (ii) Coins of other countries which are received
531 in gaming devices;

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

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

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

539 (r) "Investigation division" means a particular
540 division supervised by the executive director that provides
541 investigative functions.



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

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

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

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

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

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

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

557 (z) "Party" means the Mississippi Gaming Commission and
558 any licensee or other person appearing of record in any proceeding
559 before the commission; or the Mississippi Gaming Commission and
560 any licensee or other person appearing of record in any proceeding
561 for judicial review of any action, decision or order of the
562 commission.

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



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

569 (cc) "Race book" means the business of accepting wagers
570 upon the outcome of any event held at a track which uses the
571 pari-mutuel system of wagering.

572 (dd) "Regulation" means a rule, standard, directive or
573 statement of general applicability which effectuates law or policy
574 or which describes the procedure or requirements for practicing
575 before the commission. The term includes a proposed regulation
576 and the amendment or repeal of a prior regulation but does not
577 include:

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

581 (ii) A declaratory ruling;

582 (iii) An interagency memorandum;

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

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

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

589 (ff) "Slot machine" means any mechanical, electrical or
590 other device, contrivance or machine which, upon insertion of a



591 coin, token or similar object, or upon payment of any
592 consideration, is available to play or operate, the play or
593 operation of which, whether by reason of the skill of the operator
594 or application of the element of chance, or both, may deliver or
595 entitle the person playing or operating the machine to receive
596 cash, premiums, merchandise, tokens or anything of value, whether
597 the payoff is made automatically from the machine or in any other
598 manner. The term does not include any antique coin machine as
599 defined in Section 27-27-12.

600 (gg) "Sports pool" means the business of accepting
601 wagers on collegiate or professional sporting events * * * or
602 athletic events, by any system or method of wagering other than
603 the system known as the "pari-mutuel method of wagering."

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

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

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

611 (kk) "Work permit" means any card, certificate or
612 permit issued by the commission, whether denominated as a work
613 permit, registration card or otherwise, authorizing the employment
614 of the holder as a gaming employee. A document issued by any



615 governmental authority for any employment other than gaming is not
616 a valid work permit for the purposes of this chapter.

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

620 (mm) "Cheat" means to alter the selection of criteria
621 that determine:

622 (i) The rules of a game; or

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

624 (nn) "Promotional activity" means an activity or event
625 conducted or held for the purpose of promoting or marketing the
626 individual licensed gaming establishment that is engaging in the
627 promotional activity. The term includes, but is not limited to, a
628 game of any kind other than as defined in paragraph (k) of this
629 section, a tournament, a contest, a drawing, or a promotion of any
630 kind.

631 **SECTION 11.** Section 75-76-33, Mississippi Code of 1972, is
632 amended as follows:

633 75-76-33. (1) The commission shall, from time to time,
634 adopt, amend or repeal such regulations, consistent with the
635 policy, objects and purposes of this chapter, as it may deem
636 necessary or desirable in the public interest in carrying out the
637 policy and provisions of this chapter. The commission shall
638 comply with the Mississippi Administrative Procedures Law when



639 adopting, amending or repealing any regulations authorized under
640 this section or under any other provision of this chapter.

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

643 (a) Prescribing the method and form of application
644 which any applicant for a license or for a manufacturer's,
645 seller's or distributor's license must follow and complete before
646 consideration of his application by the executive director or the
647 commission.

648 (b) Prescribing the information to be furnished by any
649 applicant or licensee concerning his antecedents, habits,
650 character, associates, criminal record, business activities and
651 financial affairs, past or present.

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

654 (d) Requiring fingerprinting of an applicant or
655 licensee, and gaming employees of a licensee, or other methods of
656 identification and the forwarding of all fingerprints taken
657 pursuant to regulation of the Federal Bureau of Investigation.

658 (e) Prescribing the manner and procedure of all
659 hearings conducted by the commission or any hearing examiner of
660 the commission, including special rules of evidence applicable
661 thereto and notices thereof.

662 (f) Requiring any applicant to pay all or any part of
663 the fees and costs of investigation of such applicant as may be



664 determined by the commission under paragraph (g) of this
665 subsection (2).

666 (g) Prescribing the amounts of investigative fees only
667 as authorized by regulations of the commission under paragraph (f)
668 of this subsection, and collecting those fees. The commission
669 shall adopt regulations setting the amounts of those fees at
670 levels that will provide the commission with sufficient revenue,
671 when combined with any other monies as may be deposited into the
672 Mississippi Gaming Commission Fund created in Section 75-76-325,
673 to carry out the provisions of this chapter without any state
674 general funds. In calculating the amount of such fees, the
675 commission shall:

676 (i) Attempt to set the fees at levels that will
677 create a balance in the Mississippi Gaming Commission Fund that
678 does not exceed, at the end of any state fiscal year, two percent
679 (2%) of the projected amount of funds that will provide the
680 commission with such sufficient revenue; and

681 (ii) Demonstrate the reasonableness of the
682 relationship between a fee and the actual costs of the
683 investigative activity for which the fee is being prescribed.

684 (h) Prescribing the manner and method of collection and
685 payment of fees and issuance of licenses.

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



688 (j) Requiring any applicant or licensee to waive any
689 privilege with respect to any testimony at any hearing or meeting
690 of the commission, except any privilege afforded by the
691 Constitution of the United States or this state.

692 (k) Defining and limiting the area, games and devices
693 permitted, and the method of operation of such games and devices,
694 for the purposes of this chapter.

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

698 (m) Governing the use and approval of gambling devices
699 and equipment.

700 (n) Prescribing the qualifications of, and the
701 conditions under which, attorneys, accountants and others are
702 permitted to practice before the commission.

703 (o) Restricting access to confidential information
704 obtained under this chapter and ensuring that the confidentiality
705 of such information is maintained and protected.

706 (p) Prescribing the manner and procedure by which the
707 executive director on behalf of the commission shall notify a
708 county or a municipality wherein an applicant for a license
709 desires to locate.

710 (q) Prescribing the manner and procedure for an
711 objection to be filed with the commission and the executive



712 director by a county or municipality wherein an applicant for a
713 license desires to locate.

714 (3) Notwithstanding any other provision of law, each
715 licensee shall be required to comply with the * * * regulation
716 that no wager may be placed by, or on behalf of, any individual or
717 entity or group, not present on a licensed vessel or cruise
718 vessel.

719 (4) From and after July 1, 2016, the expenses of this agency
720 shall be defrayed by appropriation from the State General Fund and
721 all user charges and fees authorized under this section shall be
722 deposited into the State General Fund as authorized by law.

723 (5) From and after July 1, 2016, no state agency shall
724 charge another state agency a fee, assessment, rent or other
725 charge for services or resources received by authority of this
726 section.

727 **SECTION 12.** Application for licensure as a fantasy contest
728 operator may be made at any time.

729 **SECTION 13.** Section 12 of this act is not included to be
730 codified and is effective from and after its passage; the
731 remainder of this act shall take effect and be in force from and
732 after July 1, 2017.

