

By: Representative Burnett

To: Gaming

HOUSE BILL NO. 1481

1 AN ACT TO AMEND SECTION 75-76-5, MISSISSIPPI CODE OF 1972, TO
 2 REVISE THE GAMING CONTROL ACT DEFINITION OF "SPORTS POOL" AND
 3 DEFINE "PLATFORM" AS A PERSON OR ENTITY THAT OPERATES A SPORTS
 4 POOL OR RACE BOOK OVER THE INTERNET, INCLUDING ON WEBSITES AND
 5 MOBILE DEVICES, ON BEHALF OF THE HOLDER OF A GAMING LICENSE; TO
 6 AMEND SECTIONS 75-76-33, 75-76-55, 75-76-79, 75-76-89, 75-76-101
 7 AND 75-76-175, MISSISSIPPI CODE OF 1972, TO AUTHORIZE THE USE OF
 8 PLATFORMS, LICENSED UNDER THE GAMING CONTROL ACT AS A DISTRIBUTOR;
 9 TO AMEND SECTION 75-76-177, MISSISSIPPI CODE OF 1972, TO REVISE
 10 THE GAMING LICENSE FEES IN REGARDS TO PLATFORM GROSS REVENUES; TO
 11 AMEND SECTION 97-33-305, MISSISSIPPI CODE OF 1972, TO REVISE THE
 12 FANTASY CONTEST ACT TO DELETE THE PROHIBITION ON OPERATORS
 13 OFFERING CONTEST BASED ON THE PERFORMANCE OF PARTICIPANTS IN
 14 COLLEGIATE SPORTS EVENTS; AND FOR RELATED PURPOSES.

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

16 **SECTION 1.** Section 75-76-5, Mississippi Code of 1972, is
 17 amended as follows:

18 75-76-5. As used in this chapter, unless the context
 19 requires otherwise:

20 (a) "Applicant" means any person who has applied for or
 21 is about to apply for a state gaming license, registration or
 22 finding of suitability under the provisions of this chapter or
 23 approval of any act or transaction for which approval is required
 24 or permitted under the provisions of this chapter.



25 (b) "Application" means a request for the issuance of a
26 state gaming license, registration or finding of suitability under
27 the provisions of this chapter or for approval of any act or
28 transaction for which approval is required or permitted under the
29 provisions of this chapter but does not include any supplemental
30 forms or information that may be required with the application.

31 (c) "Associated equipment" means any equipment or
32 mechanical, electromechanical or electronic contrivance, component
33 or machine used remotely or directly in connection with gaming or
34 with any game, race book or sports pool that would not otherwise
35 be classified as a gaming device, including dice, playing cards,
36 links which connect to progressive slot machines, equipment which
37 affects the proper reporting of gross revenue, computerized
38 systems of betting at a race book or sports pool, computerized
39 systems for monitoring slot machines, and devices for weighing or
40 counting money.

41 (d) "Chairman" means the Chairman of the Mississippi
42 Gaming Commission except when used in the term "Chairman of the
43 State Tax Commission." "Chairman of the State Tax Commission" or
44 "commissioner" means the Commissioner of Revenue of the Department
45 of Revenue.

46 (e) "Commission" or "Mississippi Gaming Commission"
47 means the Mississippi Gaming Commission.

48 (f) "Commission member" means a member of the
49 Mississippi Gaming Commission.



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

54 (h) "Enforcement division" means a particular division
55 supervised by the executive director that provides enforcement
56 functions.

57 (i) "Establishment" means any premises wherein or
58 whereon any gaming is done.

59 (j) "Executive director" means the Executive Director
60 of the Mississippi Gaming Commission.

61 (k) Except as otherwise provided by law, "game," or
62 "gambling game" means any banking or percentage game played with
63 cards, with dice or with any mechanical, electromechanical or
64 electronic device or machine for money, property, checks, credit
65 or any representative of value, including, without limiting, the
66 generality of the foregoing, faro, monte, roulette, keno, fan-tan,
67 twenty-one, blackjack, seven-and-a-half, big injun, klondike,
68 craps, poker, chuck-a-luck (dai shu), wheel of fortune, chemin de
69 fer, baccarat, pai gow, beat the banker, panguingui, slot machine,
70 or any other game or device approved by the commission. However,
71 "game" or "gambling game" shall not include bingo games or raffles
72 which are held pursuant to the provisions of Section 97-33-51, or
73 the illegal gambling activities described in Section 97-33-8.



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

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

80 (m) "Gaming device" means any mechanical,
81 electromechanical or electronic contrivance, component or machine
82 used in connection with gaming or any game which affects the
83 result of a wager by determining win or loss. The term includes a
84 system for processing information which can alter the normal
85 criteria of random selection, which affects the operation of any
86 game, or which determines the outcome of a game. The term does
87 not include a system or device which affects a game solely by
88 stopping its operation so that the outcome remains undetermined,
89 and does not include any antique coin machine as defined in
90 Section 27-27-12.

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

- 94 (i) Boxmen;
- 95 (ii) Cashiers;
- 96 (iii) Change personnel;
- 97 (iv) Counting room personnel;
- 98 (v) Dealers;



- 99 (vi) Floormen;
- 100 (vii) Hosts or other persons empowered to extend
101 credit or complimentary services;
- 102 (viii) Keno runners;
- 103 (ix) Keno writers;
- 104 (x) Machine mechanics;
- 105 (xi) Security personnel;
- 106 (xii) Shift or pit bosses;
- 107 (xiii) Shills;
- 108 (xiv) Supervisors or managers; and
- 109 (xv) Ticket writers.

110 The term "gaming employee" also includes employees of
111 manufacturers or distributors of gaming equipment within this
112 state whose duties are directly involved with the manufacture,
113 repair or distribution of gaming equipment.

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

117 (o) "Gaming license" means any license issued by the
118 state which authorizes the person named therein to engage in
119 gaming.

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



123 losses paid to patrons over several years by independent financial
124 institutions:

125 (i) Cash received as winnings;

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

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

130 For the purposes of this definition, cash or the value of
131 noncash prizes awarded to patrons in a contest or tournament are
132 not losses.

133 The term does not include:

134 (i) Counterfeit money or tokens;

135 (ii) Coins of other countries which are received
136 in gaming devices;

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

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

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

144 (r) "Investigation division" means a particular
145 division supervised by the executive director that provides
146 investigative functions.



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

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

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

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

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

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

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

162 (z) "Party" means the Mississippi Gaming Commission and
163 any licensee or other person appearing of record in any proceeding
164 before the commission; or the Mississippi Gaming Commission and
165 any licensee or other person appearing of record in any proceeding
166 for judicial review of any action, decision or order of the
167 commission.

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



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

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

177 (dd) "Regulation" means a rule, standard, directive or
178 statement of general applicability which effectuates law or policy
179 or which describes the procedure or requirements for practicing
180 before the commission. The term includes a proposed regulation
181 and the amendment or repeal of a prior regulation but does not
182 include:

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

186 (ii) A declaratory ruling;

187 (iii) An interagency memorandum;

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

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

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

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



196 coin, token or similar object, or upon payment of any
197 consideration, is available to play or operate, the play or
198 operation of which, whether by reason of the skill of the operator
199 or application of the element of chance, or both, may deliver or
200 entitle the person playing or operating the machine to receive
201 cash, premiums, merchandise, tokens or anything of value, whether
202 the payoff is made automatically from the machine or in any other
203 manner. The term does not include any antique coin machine as
204 defined in Section 27-27-12.

205 (gg) "Sports pool" means the business of accepting
206 wagers on collegiate or professional sporting events or athletic
207 events, by any system or method of wagering other than the system
208 known as the "pari-mutuel method of wagering." The term includes,
209 but is not limited to, single-game bets, teaser bets, parlays,
210 over-under, moneyline, pools, exchange wagering, in-game wagering,
211 in-play bets, proposition bets and straight bets. The term does
212 not include fantasy contests as defined in Section 97-33-303.

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

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

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



220 (kk) "Work permit" means any card, certificate or
221 permit issued by the commission, whether denominated as a work
222 permit, registration card or otherwise, authorizing the employment
223 of the holder as a gaming employee. A document issued by any
224 governmental authority for any employment other than gaming is not
225 a valid work permit for the purposes of this chapter.

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

229 (mm) "Cheat" means to alter the selection of criteria
230 that determine:

231 (i) The rules of a game; or

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

233 (nn) "Promotional activity" means an activity or event
234 conducted or held for the purpose of promoting or marketing the
235 individual licensed gaming establishment that is engaging in the
236 promotional activity. The term includes, but is not limited to, a
237 game of any kind other than as defined in paragraph (k) of this
238 section, a tournament, a contest, a drawing, or a promotion of any
239 kind.

240 (oo) "Platform" means a person or entity that operates
241 a sports pool or race book over the Internet, including on
242 websites and mobile devices, on behalf of the holder of a gaming
243 license. Notwithstanding any provision of the law to the



244 contrary, a platform may determine whether to accept or reject
245 wagers, determine the results of wagers and payout winning wagers.

246 **SECTION 2.** Section 75-76-33, Mississippi Code of 1972, is
247 amended as follows:

248 75-76-33. (1) The commission shall, from time to time,
249 adopt, amend or repeal such regulations, consistent with the
250 policy, objects and purposes of this chapter, as it may deem
251 necessary or desirable in the public interest in carrying out the
252 policy and provisions of this chapter. The commission shall
253 comply with the Mississippi Administrative Procedures Law when
254 adopting, amending or repealing any regulations authorized under
255 this section or under any other provision of this chapter.

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

258 (a) Prescribing the method and form of application
259 which any applicant for a license or for a manufacturer's,
260 seller's or distributor's license must follow and complete before
261 consideration of his application by the executive director or the
262 commission.

263 (b) Prescribing the information to be furnished by any
264 applicant or licensee concerning his antecedents, habits,
265 character, associates, criminal record, business activities and
266 financial affairs, past or present.

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



269 (d) Requiring fingerprinting of an applicant or
270 licensee, and gaming employees of a licensee, or other methods of
271 identification and the forwarding of all fingerprints taken
272 pursuant to regulation of the Federal Bureau of Investigation.

273 (e) Prescribing the manner and procedure of all
274 hearings conducted by the commission or any hearing examiner of
275 the commission, including special rules of evidence applicable
276 thereto and notices thereof.

277 (f) Requiring any applicant to pay all or any part of
278 the fees and costs of investigation of such applicant as may be
279 determined by the commission under paragraph (g) of this
280 subsection (2).

281 (g) Prescribing the amounts of investigative fees only
282 as authorized by regulations of the commission under paragraph (f)
283 of this subsection, and collecting those fees. The commission
284 shall adopt regulations setting the amounts of those fees at
285 levels that will provide the commission with sufficient revenue,
286 when combined with any other monies as may be deposited into the
287 Mississippi Gaming Commission Fund created in Section 75-76-325,
288 to carry out the provisions of this chapter without any state
289 general funds. In calculating the amount of such fees, the
290 commission shall:

291 (i) Attempt to set the fees at levels that will
292 create a balance in the Mississippi Gaming Commission Fund that
293 does not exceed, at the end of any state fiscal year, two percent



294 (2%) of the projected amount of funds that will provide the
295 commission with such sufficient revenue; and

296 (ii) Demonstrate the reasonableness of the
297 relationship between a fee and the actual costs of the
298 investigative activity for which the fee is being prescribed.

299 (h) Prescribing the manner and method of collection and
300 payment of fees and issuance of licenses.

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

303 (j) Requiring any applicant or licensee to waive any
304 privilege with respect to any testimony at any hearing or meeting
305 of the commission, except any privilege afforded by the
306 Constitution of the United States or this state.

307 (k) Defining and limiting the area, games and devices
308 permitted, and the method of operation of such games and devices,
309 for the purposes of this chapter.

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

313 (m) Governing the use and approval of gambling devices
314 and equipment.

315 (n) Prescribing the qualifications of, and the
316 conditions under which, attorneys, accountants and others are
317 permitted to practice before the commission.



318 (o) Restricting access to confidential information
319 obtained under this chapter and ensuring that the confidentiality
320 of such information is maintained and protected.

321 (p) Prescribing the manner and procedure by which the
322 executive director on behalf of the commission shall notify a
323 county or a municipality wherein an applicant for a license
324 desires to locate.

325 (q) Prescribing the manner and procedure for an
326 objection to be filed with the commission and the executive
327 director by a county or municipality wherein an applicant for a
328 license desires to locate.

329 (3) * * * Except for wagers placed through approved
330 platforms, each licensee shall be required to comply with the
331 regulation that no wager may be placed by, or on behalf of, any
332 individual or entity or group, not present on a licensed vessel or
333 cruise vessel.

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

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



342 **SECTION 3.** Section 75-76-55, Mississippi Code of 1972, is
343 amended as follows:

344 75-76-55. (1) Except for an approved platform, or as
345 otherwise provided in Section 75-76-34, it is unlawful for any
346 person, either as owner, lessee or employee, whether for hire or
347 not, either solely or in conjunction with others, without having
348 first procured and thereafter maintaining in effect a state gaming
349 license:

350 (a) To deal, operate, carry on, conduct, maintain or
351 expose for play in the State of Mississippi any gambling game,
352 including, without limitation, any gaming device, slot machine,
353 race book or sports pool;

354 (b) To provide or maintain any information service the
355 primary purpose of which is to aid the placing or making of wagers
356 on events of any kind; or

357 (c) To receive, directly or indirectly, any
358 compensation or reward or any percentage or share of the money or
359 property played, for keeping, running or carrying on any gambling
360 game, including, without limitation, any slot machine, gaming
361 device, race book or sports pool.

362 (2) Except for an approved platform, or as otherwise
363 provided in Section 75-76-34, it is unlawful for any person
364 knowingly to permit any gambling game, including, without
365 limitation, any slot machine, gaming device, race book or sports
366 pool to be conducted, operated, dealt or carried on in any house



367 or building or other premises owned by him, in whole or in part,
368 by a person who is not licensed pursuant to this chapter or by his
369 employee.

370 **SECTION 4.** Section 75-76-79, Mississippi Code of 1972, is
371 amended as follows:

372 75-76-79. (1) (a) Except as otherwise provided in
373 paragraphs (b) and (c) of this subsection, it is unlawful for any
374 person, either as owner, lessee or employee, whether for hire or
375 not, to operate, carry on, conduct or maintain any form of
376 manufacture, selling or distribution of any gaming device for use
377 or play in Mississippi or for distribution outside of Mississippi
378 without first procuring and maintaining all required federal and
379 state licenses.

380 (b) A platform shall be licensed under this section as
381 a distributor.

382 (* * * c) A lessor who specifically acquires equipment
383 for a capital lease is not required to be licensed under this
384 section.

385 (* * * d) The holder of a state gaming license or the
386 holding company of a corporate licensee may, within two (2) years
387 after cessation of business or upon specific approval by the
388 executive director, dispose of by sale in a manner approved by the
389 executive director, any or all of its gaming devices, including
390 slot machines, without a distributor's license. In cases of
391 bankruptcy of a state gaming licensee or foreclosure of a lien by



392 a bank or other person holding a security interest for which
393 gaming devices are security, in whole or in part, for the lien,
394 the executive director may authorize the disposition of the gaming
395 devices without requiring a distributor's license.

396 (* * *e) Any person whom the commission determines is
397 a suitable person to receive a license under the provisions of
398 this section may be issued a manufacturer's or distributor's
399 license. The burden of proving his qualification to receive or
400 hold a license under this section is at all times on the applicant
401 or licensee.

402 (* * *f) Every person who must be licensed pursuant to
403 this section is subject to the provisions of Sections 75-76-199
404 through 75-76-265, unless exempted from those provisions by the
405 commission.

406 (* * *g) The commission may exempt, for any purpose, a
407 manufacturer, seller or distributor from the provisions of
408 Sections 75-76-199 through 75-76-265, if the commission determines
409 that the exemption is consistent with the purposes of this
410 chapter.

411 (* * *h) As used in this section, "holding company"
412 has the meaning ascribed to it in Section 75-76-199.

413 (2) If the commission determines that a manufacturer or
414 distributor is unsuitable to receive or hold a license:



415 (a) No new gaming device or associated equipment
416 manufactured by the manufacturer or distributed by the distributor
417 may be approved;

418 (b) Any previously approved device or associated
419 equipment manufactured by the manufacturer or distributed by the
420 distributor is subject to revocation of approval if the reasons
421 for the denial of the license also apply to that device or
422 associated equipment;

423 (c) No new device or associated equipment manufactured
424 by the manufacturer or distributed by the distributor may be sold,
425 transferred or offered for use or play in Mississippi; and

426 (d) Any association or agreement between the
427 manufacturer or distributor and a licensee must be terminated,
428 unless otherwise provided by the commission. An agreement between
429 such a manufacturer or distributor of gaming devices or associated
430 equipment and a licensee shall be deemed to include a provision
431 for its termination without liability on the part of the licensee
432 upon a finding by the commission that the manufacturer is
433 unsuitable to be associated with a gaming enterprise. Failure to
434 include that condition in the agreement is not a defense in any
435 action brought pursuant to this section to terminate the
436 agreement.

437 (3) Failure of a licensee to terminate any association or
438 agreement with a manufacturer or distributor of gaming devices or
439 associated equipment after receiving notice of a determination of



440 unsuitability, the denial of a license or failure to file a timely
441 application for a license, is an unsuitable method of operation.

442 (4) There is hereby imposed and levied on each applicant for
443 a manufacturer's, seller's or distributor's license under this
444 section an annual license fee in the following amount:

445 (a) For the issuance or continuation of a
446 manufacturer's license, One Thousand Dollars (\$1,000.00).

447 (b) For the issuance or continuation of a seller's or
448 distributor's license, Five Hundred Dollars (\$500.00).

449 This fee is to be paid by the applicant to the * * *
450 Department of Revenue on or before the filing of the application
451 for a manufacturer's, seller's or distributor's license by the
452 applicant. Upon such payment the * * * Commissioner of Revenue
453 shall certify to the executive director that such fee has been
454 paid by the applicant.

455 Except for those amounts that a person issued a
456 manufacturer's license under this section may charge for goods
457 supplied or services rendered, the person holding the
458 manufacturer's license may not be directly reimbursed by a holder
459 of a gaming license for the cost of any fee paid by the person for
460 the issuance or continuation of such a license, whether imposed
461 under this section or any other provision of this chapter.

462 (5) A manufacturer or distributor of associated equipment
463 who sells, transfers or offers the associated equipment for use or
464 play in Mississippi may be required by the executive director to



465 file an application for a finding of suitability to be a
466 manufacturer or distributor of associated equipment.

467 Any person who directly or indirectly involves himself in the
468 sale, transfer or offering for use or play in Mississippi of
469 associated equipment who is not otherwise required to be licensed
470 as a manufacturer or distributor may be required by the executive
471 director to file an application for a finding of suitability to be
472 a manufacturer or distributor of associated equipment.

473 If an application for a finding of suitability is not
474 submitted within thirty (30) days after demand by the executive
475 director, he may pursue any remedy or combination of remedies
476 provided in this chapter.

477 (6) The executive director and his employees may inspect
478 every gaming device which is manufactured, sold or distributed:

479 (a) For use in this state, before the gaming device is
480 put into play.

481 (b) In this state for use outside this state, before
482 the gaming device is shipped out of this state.

483 The executive director may inspect every gaming device which
484 is offered for play within this state by a licensee.

485 The executive director may inspect all associated equipment
486 which is manufactured, sold or distributed for use in this state
487 before the equipment is installed or used by a gaming licensee.

488 In addition to all other fees and charges imposed by this
489 chapter, the executive director may determine an inspection fee



490 with regard to each manufacturer, seller or distributor which must
491 not exceed the actual cost of inspection and investigation. Upon
492 such determination, the executive director shall certify to
493 the * * * Commissioner of Revenue the amount of the inspection fee
494 and the name and address of the applicant. Upon such
495 certification the * * * Department of Revenue shall proceed to
496 assess and collect such inspection fee from the applicant.

497 **SECTION 5.** Section 75-76-89, Mississippi Code of 1972, is
498 amended as follows:

499 75-76-89. (1) Except as otherwise provided in subsection
500 (3) of this section, all licenses issued to the same person,
501 including a wholly owned subsidiary of that person, for the
502 operation of any game, including a sports pool or race book, which
503 authorize gaming at the same establishment must be merged into a
504 single gaming license. A gaming license may not be issued to any
505 person if the issuance would result in more than one licensed
506 operation at a single establishment, whether or not the profits or
507 revenue from gaming are shared between the licensed operations.

508 (2) A person who has been issued a gaming license may
509 establish a sports pool or race book on the premises of the
510 establishment at which he conducts a gaming operation, and through
511 approved platforms, only after obtaining permission from the
512 executive director.

513 **SECTION 6.** Section 75-76-101, Mississippi Code of 1972, is
514 amended as follows:



515 75-76-101. (1) All gaming must be conducted with chips,
516 tokens or other instrumentalities approved by the executive
517 director or with the legal tender of the United States.

518 (2) Except for a sports pool or race book conducted through
519 an approved platform, no licensee shall permit participation by a
520 person in a game conducted in the licensed gaming establishment if
521 such person is not physically present in the licensed gaming
522 establishment during the period of time when such game is being
523 conducted, and all games and the participation of patrons therein
524 shall be entirely located and conducted on the licensed premises.

525 **SECTION 7.** Section 75-76-175, Mississippi Code of 1972, is
526 amended as follows:

527 75-76-175. (1) A credit instrument accepted on or after
528 June 29, 1991, is valid and may be enforced by legal process.

529 (2) A licensee or a person acting on the licensee's behalf
530 may accept an incomplete credit instrument which:

531 (a) Is signed by a patron; and

532 (b) States the amount of the debt in figures.

533 and may complete the instrument as is necessary for the
534 instrument to be presented for payment.

535 (3) A licensee or person acting on behalf of a licensee:

536 (a) May accept a credit instrument that is dated later
537 than the date of its execution if that later date is furnished at
538 the time of the execution of the credit instrument by the patron.



539 (b) May not accept a credit instrument which is
540 incomplete, except as authorized by subsection (2) of this
541 section.

542 (c) May accept a credit instrument that is payable to
543 an affiliated company or may complete a credit instrument in the
544 name of an affiliated company as payee if the credit instrument
545 otherwise complies with this subsection and the records of the
546 affiliated company pertaining to the credit instrument are made
547 available to the executive director upon request.

548 (4) This section does not prohibit the establishment of an
549 account:

550 (a) By a deposit of cash, recognized traveler's check,
551 or any other instruments which is equivalent to cash; or

552 (b) Electronically through an approved platform.

553 (5) Any person who violates the provisions of this section
554 is subject only to the penalties provided in Sections 75-76-103
555 through 75-76-119, inclusive.

556 (6) The commission may adopt regulations prescribing the
557 conditions under which a credit instrument may be redeemed or
558 presented to a bank for collection or payment.

559 **SECTION 8.** Section 75-76-177, Mississippi Code of 1972, is
560 amended as follows:

561 75-76-177. (1) From and after August 1, 1990, there is
562 hereby imposed and levied on each gaming licensee a license fee
563 based upon all the gross revenue of the licensee as follows:



564 (a) Four percent (4%) of all the gross revenue of the
565 licensee which does not exceed Fifty Thousand Dollars (\$50,000.00)
566 per calendar month;

567 (b) Six percent (6%) of all the gross revenue of the
568 licensee which exceeds Fifty Thousand Dollars (\$50,000.00) per
569 calendar month and does not exceed One Hundred Thirty-four
570 Thousand Dollars (\$134,000.00) per calendar month; and

571 (c) * * * As to the gross revenue of the licensee which
572 exceeds One Hundred Thirty-four Thousand Dollars (\$134,000.00) per
573 calendar month, six percent (6%) of gross revenue received through
574 a platform and eight percent (8%) of all other gross revenue.

575 (2) All revenue received from any game or gaming device
576 which is leased for operation on the premises of the
577 licensee-owner to a person other than the owner thereof or which
578 is located in an area or space on such premises which is leased by
579 the licensee-owner to any such person, must be attributed to the
580 owner for the purposes of this section and be counted as part of
581 the gross revenue of the owner. The lessee is liable to the owner
582 for his proportionate share of such license fees.

583 (3) If the amount of license fees required to be reported
584 and paid pursuant to this section is later determined to be
585 greater or less than the amount actually reported and paid by the
586 licensee, the * * * Commissioner of Revenue shall:

587 (a) Assess and collect the additional license fees
588 determined to be due, with interest thereon until paid; or



589 (b) Refund any overpayment, with interest thereon, to
590 the licensee.

591 Interest must be computed, until paid, at the rate of one
592 percent (1%) per month from the first day of the first month
593 following either the due date of the additional license fees or
594 the date of overpayment.

595 (4) Failure to pay the fees provided for in this section
596 when they are due for continuation of a license shall be deemed a
597 surrender of the license.

598 **SECTION 9.** Section 97-33-305, Mississippi Code of 1972, is
599 amended as follows:

600 97-33-305. (1) Fantasy contests are legal in this state. A
601 fantasy contest operator must comply with the provisions of this
602 section if the operator's total player roster for all fantasy
603 contests consists of one hundred (100) or more members of the
604 general public.

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

607 (a) Prevent employees of the operator, and relatives
608 living in the same household with an employee of an operator, from
609 competing in fantasy contests offered by an operator in which the
610 operator offers a cash prize;

611 (b) Prevent sharing with third parties of confidential
612 information that could affect fantasy contest play until the
613 information is made publicly available;



614 (c) Prevent the operator from participating in a
615 fantasy contest offered by the operator;

616 (d) Verify that a fantasy contest player is eighteen
617 (18) years of age or older except as required in Section
618 97-33-307(5);

619 (e) Ensure that individuals who participate or
620 officiate in a sporting event or who own, manage or coach a team
621 or player who participates in a sporting event will not knowingly
622 be allowed to enter a fantasy contest that is determined, in whole
623 or in part, on accumulated statistical results that include a
624 sporting event in which the individual could be involved as an
625 athlete, official, owner, manager or coach;

626 (f) Allow individuals to restrict themselves from
627 entering a fantasy contest upon request and provide reasonable
628 steps to prevent the person from entering fantasy contests offered
629 by the operator;

630 (g) Disclose the number of entries that a player may
631 submit to each fantasy contest and provide reasonable steps to
632 prevent players from submitting more than the allowable number;

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

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



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

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

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

- 648 1. Three percent (3%) of all entries; or
- 649 2. One hundred fifty (150) entries.

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

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

- 657 1. That there are no limits on the number of
658 entries by each player in the contest; and

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

661 (i) Offer introductory procedures for players that are
662 prominently displayed on the main page of the operator's platform



663 to explain contest play and how to identify a highly experienced
664 player;

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

669 (k) Segregate fantasy contest player funds from
670 operational funds or maintain a reserve in the form of cash, cash
671 equivalents, payment processor reserves and receivables, an
672 irrevocable letter of credit, a bond, or a combination thereof, in
673 the amount of the total account balances of the fantasy contest
674 players for the benefit and protection of the funds held in the
675 accounts.

676 (3) An operator shall not offer contests based on the
677 performance of participants in * * * high school or youth sports
678 events.

679 (4) A fantasy contest operator offering fantasy contests
680 with an entry fee in this state shall comply with audit procedures
681 adopted by the commission to ensure compliance with this section.

682 (5) (a) Advertisements for contests and prizes offered by
683 an operator shall not target prohibited participants, minors, or
684 self-excluded persons.

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



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

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

693 (6) Operators shall prohibit the use of third-party scripts
694 or scripting programs for any contest and ensure that measures are
695 in place to deter, detect and, to the extent reasonably possible,
696 prevent cheating, including collusion, and the use of cheating
697 devices, including use of software programs that submit entry fees
698 or adjust the athletes selected by a player.

699 (7) The values of all prizes and awards offered to winning
700 players must be established and made known to the players in
701 advance of the contest.

702 **SECTION 10.** This act shall take effect and be in force from
703 and after July 1, 2019.

