

By: Representative McKnight

To: Gaming

HOUSE BILL NO. 635

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

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

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

17 75-76-5. As used in this chapter, unless the context
 18 requires otherwise:

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



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

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

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

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



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

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

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

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

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

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



73 which are held pursuant to the provisions of Section 97-33-51, or
74 the illegal gambling activities described in Section 97-33-8.

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

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

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

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

97 (i) Boxmen;



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

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

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

120 (o) "Gaming license" means any license issued by the
121 state which authorizes the person named therein to engage in
122 gaming.



123 (p) "Gross revenue" means the total of all of the
124 following, less the total of all cash paid out as losses to
125 patrons and those amounts paid to purchase annuities to fund
126 losses paid to patrons over several years by independent financial
127 institutions:

128 (i) Cash received as winnings;

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

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

133 For the purposes of this definition, cash or the value of
134 noncash prizes awarded to patrons in a contest or tournament are
135 not losses.

136 The term does not include:

137 (i) Counterfeit money or tokens;

138 (ii) Coins of other countries which are received
139 in gaming devices;

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

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

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



147 (r) "Investigation division" means a particular
148 division supervised by the executive director that provides
149 investigative functions.

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

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

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

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

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

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

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

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



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

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

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

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

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

189 (ii) A declaratory ruling;

190 (iii) An interagency memorandum;

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

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



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

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

208 (gg) "Sports pool" means the business of accepting
209 wagers on collegiate, amateur or professional sporting events or
210 athletic events, including e-sports, or any other event or
211 competition authorized by the commission, by any system or method
212 of wagering other than the system known as the "pari-mutuel method
213 of wagering * * *," including, but not limited to, digital
214 platforms. The term includes, but is not limited to, single-game
215 bets, teaser bets, parlays, over-under, moneyline, pools, exchange
216 wagering, in-game wagering, in-play bets, proposition bets and
217 straight bets. The term does not include fantasy contests as
218 defined in Section 97-33-303.



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

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

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

226 (kk) "Work permit" means any card, certificate or
227 permit issued by the commission, whether denominated as a work
228 permit, registration card or otherwise, authorizing the employment
229 of the holder as a gaming employee. A document issued by any
230 governmental authority for any employment other than gaming is not
231 a valid work permit for the purposes of this chapter.

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

235 (mm) "Cheat" means to alter the selection of criteria
236 that determine:

237 (i) The rules of a game; or

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

239 (nn) "Promotional activity" means an activity or event
240 conducted or held for the purpose of promoting or marketing the
241 individual licensed gaming establishment that is engaging in the
242 promotional activity. The term includes, but is not limited to, a
243 game of any kind other than as defined in paragraph (k) of this



244 section, a tournament, a contest, a drawing, or a promotion of any
245 kind.

246 (oo) "Digital platform" means the operation of a sports
247 pool or race book over the Internet, including on websites and
248 mobile devices, by the holder of a gaming license or by an
249 operator on behalf of the holder of a gaming license.

250 Notwithstanding any provision of the law to the contrary, a
251 digital platform may determine whether to accept or reject wagers,
252 determine the results of wagers and payout winning wagers. The
253 branding for each digital platform shall be determined by the
254 operator.

255 (pp) "Operator" means an entity licensed as a
256 manufacturer and distributor and authorized by the commission to
257 operate a digital platform on behalf of the holder of a gaming
258 license.

259 (qq) "Sports pool wagering account" means a financial
260 record established by a gaming licensee or operator for an
261 individual patron in which the patron may deposit and withdraw
262 funds for sports pool wagering and other authorized purchases, and
263 to which the gaming licensee or operator may credit winnings or
264 other amounts due to that patron or authorized by that patron.
265 Such account can be established and funded by the patron
266 electronically through a digital platform.

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



269 75-76-33. (1) The commission shall, from time to time,
270 adopt, amend or repeal such regulations, consistent with the
271 policy, objects and purposes of this chapter, as it may deem
272 necessary or desirable in the public interest in carrying out the
273 policy and provisions of this chapter. The commission shall
274 comply with the Mississippi Administrative Procedures Law when
275 adopting, amending or repealing any regulations authorized under
276 this section or under any other provision of this chapter.

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

279 (a) Prescribing the method and form of application
280 which any applicant for a license or for a manufacturer's,
281 seller's or distributor's license must follow and complete before
282 consideration of his application by the executive director or the
283 commission.

284 (b) Prescribing the information to be furnished by any
285 applicant or licensee concerning his antecedents, habits,
286 character, associates, criminal record, business activities and
287 financial affairs, past or present.

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

290 (d) Requiring fingerprinting of an applicant or
291 licensee, and gaming employees of a licensee, or other methods of
292 identification and the forwarding of all fingerprints taken
293 pursuant to regulation of the Federal Bureau of Investigation.



294 (e) Prescribing the manner and procedure of all
295 hearings conducted by the commission or any hearing examiner of
296 the commission, including special rules of evidence applicable
297 thereto and notices thereof.

298 (f) Requiring any applicant to pay all or any part of
299 the fees and costs of investigation of such applicant as may be
300 determined by the commission under paragraph (g) of this
301 subsection (2).

302 (g) Prescribing the amounts of investigative fees only
303 as authorized by regulations of the commission under paragraph (f)
304 of this subsection, and collecting those fees. The commission
305 shall adopt regulations setting the amounts of those fees at
306 levels that will provide the commission with sufficient revenue,
307 when combined with any other monies as may be deposited into the
308 Mississippi Gaming Commission Fund created in Section 75-76-325,
309 to carry out the provisions of this chapter without any state
310 general funds. In calculating the amount of such fees, the
311 commission shall:

312 (i) Attempt to set the fees at levels that will
313 create a balance in the Mississippi Gaming Commission Fund that
314 does not exceed, at the end of any state fiscal year, two percent
315 (2%) of the projected amount of funds that will provide the
316 commission with such sufficient revenue; and



317 (ii) Demonstrate the reasonableness of the
318 relationship between a fee and the actual costs of the
319 investigative activity for which the fee is being prescribed.

320 (h) Prescribing the manner and method of collection and
321 payment of fees and issuance of licenses.

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

324 (j) Requiring any applicant or licensee to waive any
325 privilege with respect to any testimony at any hearing or meeting
326 of the commission, except any privilege afforded by the
327 Constitution of the United States or this state.

328 (k) Defining and limiting the area, games and devices
329 permitted, and the method of operation of such games and devices,
330 for the purposes of this chapter.

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

334 (m) Governing the use and approval of gambling devices
335 and equipment.

336 (n) Prescribing the qualifications of, and the
337 conditions under which, attorneys, accountants and others are
338 permitted to practice before the commission.

339 (o) Restricting access to confidential information
340 obtained under this chapter and ensuring that the confidentiality
341 of such information is maintained and protected.



342 (p) Prescribing the manner and procedure by which the
343 executive director on behalf of the commission shall notify a
344 county or a municipality wherein an applicant for a license
345 desires to locate.

346 (q) Prescribing the manner and procedure for an
347 objection to be filed with the commission and the executive
348 director by a county or municipality wherein an applicant for a
349 license desires to locate.

350 (3) * * * Except for wagers placed through approved digital
351 platforms, each licensee shall be required to comply with the
352 regulation that no wager may be placed by, or on behalf of, any
353 individual or entity or group, not present on a licensed vessel or
354 cruise vessel.

355 (4) Gaming licensees and operators shall accept wagers
356 placed from sports pool wagering accounts through digital
357 platforms provided that such wagers are initiated, received and
358 otherwise made within Mississippi unless otherwise determined by
359 the commission in accordance with applicable federal and state
360 law. Consistent with the intent of the United States Congress and
361 as articulated in the federal Unlawful Internet Gambling
362 Enforcement Act of 2006, 31 USC Sections 5361-5367, the
363 intermediate routing of electronic data related to a lawful
364 intrastate wager authorized under that provision does not
365 determine the location or locations in which the wager is
366 initiated, received or otherwise made.



367 (* * *5) From and after July 1, 2016, the expenses of this
368 agency shall be defrayed by appropriation from the State General
369 Fund and all user charges and fees authorized under this section
370 shall be deposited into the State General Fund as authorized by
371 law.

372 (* * *6) From and after July 1, 2016, no state agency shall
373 charge another state agency a fee, assessment, rent or other
374 charge for services or resources received by authority of this
375 section.

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

378 75-76-55. (1) Except for an approved digital platform, or
379 as otherwise provided in Section 75-76-34, it is unlawful for any
380 person, either as owner, lessee or employee, whether for hire or
381 not, either solely or in conjunction with others, without having
382 first procured and thereafter maintaining in effect a state gaming
383 license:

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

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



391 (c) To receive, directly or indirectly, any
392 compensation or reward or any percentage or share of the money or
393 property played, for keeping, running or carrying on any gambling
394 game, including, without limitation, any slot machine, gaming
395 device, race book or sports pool.

396 (2) Except for an approved digital platform, or as otherwise
397 provided in Section 75-76-34, it is unlawful for any person
398 knowingly to permit any gambling game, including, without
399 limitation, any slot machine, gaming device, race book or sports
400 pool to be conducted, operated, dealt or carried on in any house
401 or building or other premises owned by him, in whole or in part,
402 by a person who is not licensed pursuant to this chapter or by his
403 employee.

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

406 75-76-79. (1) (a) Except as otherwise provided in
407 paragraphs (b) and (c) of this subsection, it is unlawful for any
408 person, either as owner, lessee or employee, whether for hire or
409 not, to operate, carry on, conduct or maintain any form of
410 manufacture, selling or distribution of any gaming device for use
411 or play in Mississippi or for distribution outside of Mississippi
412 without first procuring and maintaining all required federal and
413 state licenses.

414 (b) An operator shall be licensed under this section as
415 a manufacturer and a distributor.



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

419 (* * *d) The holder of a state gaming license or the
420 holding company of a corporate licensee may, within two (2) years
421 after cessation of business or upon specific approval by the
422 executive director, dispose of by sale in a manner approved by the
423 executive director, any or all of its gaming devices, including
424 slot machines, without a distributor's license. In cases of
425 bankruptcy of a state gaming licensee or operator or foreclosure
426 of a lien by a bank or other person holding a security interest
427 for which gaming devices are security, in whole or in part, for
428 the lien, the executive director may authorize the disposition of
429 the gaming devices without requiring a distributor's license.

430 (* * *e) Any person whom the commission determines is
431 a suitable person to receive a license under the provisions of
432 this section may be issued a manufacturer's or distributor's
433 license. The burden of proving his qualification to receive or
434 hold a license under this section is at all times on the applicant
435 or licensee.

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



440 (* * *g) The commission may exempt, for any purpose, a
441 manufacturer, seller or distributor from the provisions of
442 Sections 75-76-199 through 75-76-265, if the commission determines
443 that the exemption is consistent with the purposes of this
444 chapter.

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

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

449 (a) No new gaming device or associated equipment
450 manufactured by the manufacturer or distributed by the distributor
451 may be approved;

452 (b) Any previously approved device or associated
453 equipment manufactured by the manufacturer or distributed by the
454 distributor is subject to revocation of approval if the reasons
455 for the denial of the license also apply to that device or
456 associated equipment;

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

460 (d) Any association or agreement between the
461 manufacturer or distributor and a licensee must be terminated,
462 unless otherwise provided by the commission. An agreement between
463 such a manufacturer or distributor of gaming devices or associated
464 equipment and a licensee shall be deemed to include a provision



465 for its termination without liability on the part of the licensee
466 upon a finding by the commission that the manufacturer is
467 unsuitable to be associated with a gaming enterprise. Failure to
468 include that condition in the agreement is not a defense in any
469 action brought pursuant to this section to terminate the
470 agreement.

471 (3) Failure of a licensee to terminate any association or
472 agreement with a manufacturer or distributor of gaming devices or
473 associated equipment after receiving notice of a determination of
474 unsuitability, the denial of a license or failure to file a timely
475 application for a license, is an unsuitable method of operation.

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

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

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

483 This fee is to be paid by the applicant to the * * *
484 Department of Revenue on or before the filing of the application
485 for a manufacturer's, seller's or distributor's license by the
486 applicant. Upon such payment the * * * Commissioner of Revenue
487 shall certify to the executive director that such fee has been
488 paid by the applicant.



489 Except for those amounts that a person issued a
490 manufacturer's license under this section may charge for goods
491 supplied or services rendered, the person holding the
492 manufacturer's license may not be directly reimbursed by a holder
493 of a gaming license for the cost of any fee paid by the person for
494 the issuance or continuation of such a license, whether imposed
495 under this section or any other provision of this chapter.

496 (5) A manufacturer or distributor of associated equipment
497 who sells, transfers or offers the associated equipment for use or
498 play in Mississippi may be required by the executive director to
499 file an application for a finding of suitability to be a
500 manufacturer or distributor of associated equipment.

501 Any person who directly or indirectly involves himself in the
502 sale, transfer or offering for use or play in Mississippi of
503 associated equipment who is not otherwise required to be licensed
504 as a manufacturer or distributor may be required by the executive
505 director to file an application for a finding of suitability to be
506 a manufacturer or distributor of associated equipment.

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

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



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

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

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

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

522 In addition to all other fees and charges imposed by this
523 chapter, the executive director may determine an inspection fee
524 with regard to each manufacturer, seller or distributor which must
525 not exceed the actual cost of inspection and investigation. Upon
526 such determination, the executive director shall certify to
527 the * * * Commissioner of Revenue the amount of the inspection fee
528 and the name and address of the applicant. Upon such
529 certification the * * * Department of Revenue shall proceed to
530 assess and collect such inspection fee from the applicant.

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

533 75-76-89. (1) Except as otherwise provided in subsection
534 (* * * 2) of this section, all licenses issued to the same person,
535 including a wholly owned subsidiary of that person, for the
536 operation of any game, including a sports pool or race book, which
537 authorize gaming at the same establishment must be merged into a



538 single gaming license. A gaming license may not be issued to any
539 person if the issuance would result in more than one (1) licensed
540 operation at a single establishment, whether or not the profits or
541 revenue from gaming are shared between the licensed operations.

542 (2) A person who has been issued a gaming license or an
543 operator may establish a sports pool or race book on the premises
544 of the establishment * * * or operate a digital platform through
545 which he or she conducts a gaming operation only after obtaining
546 permission from the executive director.

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

549 75-76-101. (1) All gaming must be conducted with chips,
550 tokens or other instrumentalities approved by the executive
551 director or with the legal tender of the United States.

552 (2) Except for a sports pool conducted through an approved
553 digital platform, no licensee shall permit participation by a
554 person in a game conducted in the licensed gaming establishment if
555 such person is not physically present in the licensed gaming
556 establishment during the period of time when such game is being
557 conducted, and all games and the participation of patrons therein
558 shall be entirely located and conducted on the licensed premises.

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

561 75-76-175. (1) A credit instrument accepted on or after
562 June 29, 1991, is valid and may be enforced by legal process.



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

565 (a) Is signed by a patron; and

566 (b) States the amount of the debt in figures * * *; and
567 may complete the instrument as is necessary for the instrument to
568 be presented for payment.

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

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

573 (b) May not accept a credit instrument which is
574 incomplete, except as authorized by subsection (2) of this
575 section.

576 (c) May accept a credit instrument that is payable to
577 an affiliated company or may complete a credit instrument in the
578 name of an affiliated company as payee if the credit instrument
579 otherwise complies with this subsection and the records of the
580 affiliated company pertaining to the credit instrument are made
581 available to the executive director upon request.

582 (4) This section does not prohibit the establishment of an
583 account:

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

586 (b) Electronically through an approved digital
587 platform.



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

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

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

596 75-76-177. (1) From and after August 1, 1990, there is
597 hereby imposed and levied on each gaming licensee a license fee
598 based upon all the gross revenue of the licensee as follows:

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

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

606 (c) Eight percent (8%) of all the gross revenue of the
607 licensee or operator which exceeds One Hundred Thirty-four
608 Thousand Dollars (\$134,000.00) per calendar month.

609 (2) All revenue received from any game or gaming device
610 which is leased for operation on the premises of the
611 licensee-owner to a person other than the owner thereof or which
612 is located in an area or space on such premises which is leased by



613 the licensee-owner to any such person, must be attributed to the
614 owner for the purposes of this section and be counted as part of
615 the gross revenue of the owner. The lessee is liable to the owner
616 for his proportionate share of such license fees.

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

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

623 (b) Refund any overpayment, with interest thereon, to
624 the licensee.

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

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

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

634 97-33-305. (1) Fantasy contests are legal in this state. A
635 fantasy contest operator must comply with the provisions of this
636 section if the operator's total player roster for all fantasy



637 contests consists of one hundred (100) or more members of the
638 general public.

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

641 (a) Prevent employees of the operator, and relatives
642 living in the same household with an employee of an operator, from
643 competing in fantasy contests offered to the public by an operator
644 in which the operator offers a cash prize;

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

648 (c) Prevent the operator from participating in a
649 fantasy contest offered by the operator;

650 (d) Verify that a fantasy contest player is eighteen
651 (18) years of age or older except as required in Section
652 97-33-307(5);

653 (e) Ensure that individuals who participate or
654 officiate in a sporting event or who own, manage or coach a team
655 or player who participates in a sporting event will not knowingly
656 be allowed to enter a fantasy contest that is determined, in whole
657 or in part, on accumulated statistical results that include a
658 sporting event in which the individual could be involved as an
659 athlete, official, owner, manager or coach;

660 (f) Allow individuals to restrict themselves from
661 entering a fantasy contest upon request and provide reasonable



662 steps to prevent the person from entering fantasy contests offered
663 by the operator;

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

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

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

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

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

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

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

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



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

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

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

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

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

703 (k) Segregate fantasy contest player funds from
704 operational funds or maintain a reserve in the form of cash, cash
705 equivalents, payment processor reserves and receivables, an
706 irrevocable letter of credit, a bond, or a combination thereof, in
707 the amount of the total account balances of the fantasy contest
708 players for the benefit and protection of the funds held in the
709 accounts.



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

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

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

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

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

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

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



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

736 **SECTION 10.** This act shall take effect and be in force from
737 and after July 1, 2024.

