MISSISSIPPI LEGISLATURE

By: Representatives Eure, Grady, Bell (65th), Hulum, McKnight, Nelson, Aguirre

To: Gaming

HOUSE BILL NO. 774

1 AN ACT TO CREATE THE MISSISSIPPI MOBILE SPORTS WAGERING ACT; 2 TO PROVIDE DEFINITIONS FOR THE ACT; TO PROVIDE THAT "ONLINE RACE 3 BOOK" AND "ONLINE SPORTS POOL" BETTING SHALL BE LEGAL IN THIS 4 STATE; TO REQUIRE A PLATFORM THAT OPERATES AN ONLINE SPORTS POOL 5 OR ONLINE RACE BOOK TO A MANUFACTURER'S AND DISTRIBUTOR'S LICENSE; 6 TO AUTHORIZE LICENSED GAMING ESTABLISHMENTS TO CONTRACT WITH NO 7 MORE THAN ONE PLATFORM; TO PROVIDE THAT A PLATFORM SHALL ONLY ACCEPT WAGERS FROM PLAYERS LOCATED IN MISSISSIPPI; TO REQUIRE THE 8 9 PLATFORM CONTRACT FOR GEOFENCING AND AGE VERIFICATION; TO PROHIBIT 10 PLAY BY ANY PERSON UNDER THE AGE OF 21; TO AMEND SECTIONS 11 97-33-17, 75-76-5 AND 75-76-33, MISSISSIPPI CODE OF 1972, TO 12 CONFORM TO THE PRECEDING SECTIONS; TO AMEND SECTION 75-76-89, MISSISSIPPI CODE OF 1972, TO CLARIFY THE INCLUSION OF ONLINE RACE 13 BOOK AND SPORTS BOOK FOR GAMING LICENSING; TO AMEND SECTION 14 15 75-76-91, MISSISSIPPI CODE OF 1972, TO REQUIRE THE LICENSED GAMING 16 ESTABLISHMENT TO DISPLAY THE LICENSE OF THE PLATFORM IT IS 17 CONTRACTED WITH; TO AMEND SECTION 75-76-203, MISSISSIPPI CODE OF 18 1972, TO PROVIDE AN EXCEPTION FOR AN OFFICE IN THIS STATE FOR PLATFORMS; TO BRING FORWARD SECTIONS 75-76-211, 75-76-55, 19 75-76-205 AND 75-76-175, MISSISSIPPI CODE OF 1972, WHICH REGULATE 20 21 CORPORATE GAMING ESTABLISHMENTS, FOR PURPOSES OF AMENDMENT; TO AMEND SECTIONS 75-76-177, 75-76-101 AND 97-33-27, MISSISSIPPI CODE 22 23 OF 1972, TO CLARIFY CERTAIN PROVISIONS; TO BRING FORWARD SECTIONS 24 97-33-305 AND 97-33-8, MISSISSIPPI CODE OF 1972, WHICH REGULATE 25 GAMING ESTABLISHMENTS, FOR PURPOSES OF AMENDMENT; TO AMEND SECTIONS 97-33-25 AND 75-76-79, MISSISSIPPI CODE OF 1972, TO 26 27 CLARIFY THE PROVISIONS; TO BRING FORWARD SECTIONS 97-33-1 AND 28 97-33-7, WHICH RESTRICT CERTAIN TYPES OF WAGERS, FOR PURPOSES OF 29 AMENDMENT; AND FOR RELATED PURPOSES.

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

H. B. No. 774 G3/5 24/HR26/R1336.2 PAGE 1 (GT\KW) 31 <u>SECTION 1.</u> This act shall be known and may be cited as the 32 "Mississippi Mobile Sports Wagering Act".

33 <u>SECTION 2.</u> The following terms shall have the meanings
34 ascribed herein:

35 (a) "Commission" means the Mississippi Gaming
36 Commission as defined in Section 75-76-7.

37 (b) "Executive director" means the Executive Director
38 of the Mississippi Gaming Commission as defined in Section
39 75-76-7.

40 (c) "Game", "Gaming" or "Gambling game" means to deal,
41 operate, carry on, conduct, maintain or expose for play any game
42 as defined in Section 75-76-5.

(d) "Gaming license" means any license issued by the
state which authorizes the person named therein to engage in
gaming as defined in Section 75-76-5.

46 (e) "Gross revenue" means the same as defined in47 Section 75-76-5.

48 (f) "Interactive gaming" means wagering on any49 interactive game.

(g) "Interactive game" means computerized or virtual versions of any game as defined in Section 75-76-5 or any other game of chance or digital simulation thereof, including, but not limited to, casino themed slot machines or gaming devices, table games or other such games as approved by the commission for play in a licensed establishment.

H. B. No. 774 ~ OFFICIAL ~ 24/HR26/R1336.2 PAGE 2 (GT\KW) 56 (h) "Internet" means the term as defined in Section 230 57 of Title II of the Communications Act of 1934, Chapter 652, 110 58 Stat. 137, 47 USCS 230.

(i) "Licensed gaming establishment" means any premises
licensed by the commission as defined in Section 75-76-5.

(j) "Manufacturer's", "seller's", or "distributor's"
license means a license issued pursuant to Section 75-76-79 as
defined in Section 75-76-5.

(k) "Online race book" means a race book as defined by
Section 75-76-5 in which wagers are made over the Internet,
including on websites, personal computers, mobile phones, or other
interactive devices used by an individual to place a race book
wager from any location in Mississippi, and accepted by a platform
on behalf of the holder of a Mississippi gaming license.

(1) "Online sports pool" means a sports pool as defined by Section 75-76-5 in which wagers are made over the Internet, including on websites, personal computers, mobile phones, or other interactive devices used by an individual to place a sports pool wager from any location in Mississippi, and accepted by a platform on behalf of the holder of a Mississippi gaming license.

(m) "Platform" means a person or entity that operates an online sports pool, online race book, or both on behalf of the holder of a gaming license.

H. B. No. 774 24/HR26/R1336.2 PAGE 3 (GT\KW) (n) "Race book" means the business of accepting wagers
upon the outcome of any event held at a track which uses the
pari-mutuel system of wagering as defined in Section 75-76-5.

(o) "Sporting event" means any amateur sport or
athletic event, professional sport or athletic event, collegiate
sport or athletic event, motor race event, electronic sports
event, competitive video game event, or any other event authorized
by the Mississippi Gaming Control Act or the commission for
wagering under this act.

(p) "Sports pool" means the same as the term is defined
in Section 75-76-5 and includes the business of accepting wagers
on sporting events by any system of wagering including, but not
limited to, single-game bets, teaser bets, parlays, over-under,
moneyline, pools, exchange-wagering, in-game wagering, in-play
bets, proposition bets, and straight bets. The term does not
include fantasy contests as defined in Section 97-33-303.

95 <u>SECTION 3.</u> (1) Online sports pools and online race books 96 shall be legal in the State of Mississippi as provided by this 97 act. The provisions of this act shall not be construed to 98 authorize or legalize interactive gaming in the State of 99 Mississippi outside of a licensed gaming establishment.

(2) (a) A platform that operates an online sports pool,
online race book, or both on behalf of the holder of a gaming
license in this state must obtain a manufacturer's and
distributor's license from the commission. A platform that

H. B. No. 774 **~ OFFICIAL ~** 24/HR26/R1336.2 PAGE 4 (GT\KW) 104 already possesses a manufacturer's and distributor's license in 105 the state shall be permitted to operate under the existing license 106 subject to any technical approvals required by the commission to 107 operate an online sports pool, online race book, or both.

(b) The licensed gaming establishment, including a platform that operates an online sports pool, online race book or both on behalf of the holder of a gaming licensee, shall report all gaming revenue and pay all taxes for such revenue as provided by state law.

(3) A platform that operates an online sports pool, online race book, or both on behalf of the holder of a gaming license in this state shall be lawfully conducting business in this state in order to comply with the provisions of this act.

(4) Application for licensure shall be made to the executive director on forms furnished by the executive director and in accordance with the commission's regulations regarding manufacturer's and distributor's licenses.

121 The commission shall, from time to time, adopt, amend or (5) 122 repeal such regulations, consistent with the policy, objects and 123 purposes of this chapter, as it may deem necessary or desirable in 124 the public interest in carrying out the policy and provisions of 125 this chapter. The commission shall comply with the Mississippi 126 Administrative Procedures Law when adopting, amending or repealing 127 any regulations authorized under this section or under any other 128 provision of this chapter.

H. B. No. 774 **~ OFFICIAL ~** 24/HR26/R1336.2 PAGE 5 (gT\KW) 129 **SECTION 4.** (1) Each licensed establishment may enter into 130 contracts with no more than one (1) platform to operate an online sports pool and/or online race book on behalf of the holder of the 131 132 gaming license for such licensed establishment. Each platform 133 may, but is not required to, offer both an online sports pool and 134 an online race book. Notwithstanding any provision of law to the contrary, a platform may, on behalf of its gaming license holder, 135 136 determine whether to accept or reject wagers, determine the 137 results of wagers, and payout winning wagers.

(2) A platform, on behalf of the holder of a gaming license in this state, may accept online sports pool and online race book wagers placed over the Internet, including on websites and the use of a personal computer, mobile phone, or other interactive device used by an individual to place a sports pool or race book wager, subject to the following:

(a) All players shall establish a wagering account and
an initial identification and age verification shall be conducted
before any wager by the player may be accepted by the platform. A
player may establish a wagering account with a platform in person
at a licensed establishment or over the Internet, including on
websites and mobile or interactive devices.

(b) A platform, on behalf of the holder of a gaming
license in this state, shall accept wagers only from players
located in Mississippi. A platform shall maintain geofencing or
geolocating services and pay all costs and responsibilities

H. B. No. 774 **~ OFFICIAL ~** 24/HR26/R1336.2 PAGE 6 (GT\KW) related to such services required by the commission. Servers, including the use of backup servers, may be located outside of this state, consistent with federal law. To the extent required by federal law, a platform shall maintain in this state the servers it uses to accept wagers on an online sports pool, online race book, or interactive gaming inside the casino placed by bettors located in this state.

(c) A person under the age of twenty-one (21) years shall not play, be allowed to play, place wagers, or collect winnings, whether personally or through an agent, from any online sports pool or online race book authorized under this chapter.

(d) A platform shall comply with all identification verification and compulsive and problem gambling protections set forth in law or rule.

168 (3) Subject to the regulations of the commission, a platform169 shall report to the commission:

(a) Any criminal proceeding commenced against the
platform or its employees in connection with the platform's
operations in Mississippi.

(b) Any abnormal betting activity or patterns that may indicate a concern about the integrity of a sporting event or athletic event.

(c) Any other conduct indicating corruption of the
betting outcome of a sporting event or athletic event for
financial gain, including, but not limited to, match fixing.

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Suspicious or illegal wagering activities, 180 including the use of funds derived from illegal activity, wagers to conceal or launder funds derived from illegal activity, use of 181 182 agents to place wagers, or use of false identification.

183 A dispute over winnings with respect to an online race (4) 184 book or online sports pool shall be resolved under the procedures 185 set forth in Sections 75-76-157 through 75-76-173.

186 SECTION 5. Gross revenue from a platform operating an online 187 race book or an online sports pool on behalf of the holder of a gaming license shall be subject to the license fees and credits 188 under Sections 75-76-177, 75-76-179, 75-76-181 and 75-76-185. 189

190 SECTION 6. Section 97-33-17, Mississippi Code of 1972, is 191 amended as follows:

192 97-33-17. (1) All monies exhibited for the purpose of 193 betting or alluring persons to bet at any game, and all monies 194 staked or betted, shall be liable to seizure by any sheriff, 195 constable, or police officer, together with all the appliances 196 used or kept for use in gambling, or by any other person; and all 197 the monies so seized shall be accounted for by the person making 198 the seizure, and all appliances seized shall be destroyed; 199 provided, however, this section shall not apply to betting, gaming 200 or wagering * * *:

201 On a cruise vessel as defined in Section 27-109-1 (a) 202 whenever such vessel is in the waters within the State of Mississippi, which lie adjacent to the State of Mississippi south 203

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(d)

of the three (3) most southern counties in the State of Mississippi, including the Mississippi Sound, St. Louis Bay, Biloxi Bay and Pascagoula Bay, and in which the registered voters of the county in which the port is located have not voted to prohibit such betting, gaming or wagering on cruise vessels as provided in Section 19-3-79;

(b) In a structure located in whole or in part on shore in any of the three (3) most southern counties in the State of Mississippi in which the registered voters of the county have voted to allow such betting, gaming or wagering on cruise vessels as provided in Section 19-3-79, if:

(i) The structure is owned, leased or controlled by a person possessing a gaming license, as defined in Section 75-76-5, to conduct legal gaming on a cruise vessel under paragraph (a) of this subsection;

219 (ii) The part of the structure in which licensed 220 gaming activities are conducted is located entirely in an area 221 which is located no more than eight hundred (800) feet from the 222 mean high water line (as defined in Section 29-15-1) of the waters 223 within the State of Mississippi, which lie adjacent to the State 224 of Mississippi south of the three (3) most southern counties in 225 the State of Mississippi, including the Mississippi Sound, St. 226 Louis Bay, Biloxi Bay and Pascagoula Bay, or, with regard to 227 Harrison County only, no farther north than the southern boundary 228 of the right-of-way for U.S. Highway 90, whichever is greater; and

H. B. No. 774 **~ OFFICIAL ~** 24/HR26/R1336.2 PAGE 9 (gt\kw) 229 (iii) In the case of a structure that is located 230 in whole or part on shore, the part of the structure in which 231 licensed gaming activities are conducted shall lie adjacent to 232 state waters south of the three (3) most southern counties in the 233 State of Mississippi, including the Mississippi Sound, St. Louis 234 Bay, Biloxi Bay and Pascagoula Bay. When the site upon which the 235 structure is located consists of a parcel of real property, 236 easements and rights-of-way for public streets and highways shall 237 not be construed to interrupt the contiguous nature of the parcel, nor shall the footage contained within the easements and 238 239 rights-of-way be counted in the calculation of the distances 240 specified in subparagraph (ii) * * *;

(c) A vessel as defined in Section 27-109-1 whenever such vessel is on the Mississippi River or navigable waters within any county bordering on the Mississippi River, and in which the registered voters of the county in which the port is located have not voted to prohibit such betting, gaming or wagering on vessels as provided in Section 19-3-79; or

(d) That is legal under the laws of the State ofMississippi.

(2) Nothing in this section shall apply to any gambling
device, machine or equipment that is owned, possessed, controlled,
installed, procured, repaired or transported in accordance with
subsection (4) of Section 97-33-7.

H. B. No. 774 **~ OFFICIAL ~** 24/HR26/R1336.2 PAGE 10 (gT\KW) 253 **SECTION 7.** Section 75-76-5, Mississippi Code of 1972, is 254 amended as follows:

255 75-76-5. As used in this chapter, unless the context 256 requires otherwise:

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

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

268 (C) "Associated equipment" means any equipment or 269 mechanical, electromechanical or electronic contrivance, component 270 or machine used remotely or directly in connection with gaming or 271 with any game, race book or sports pool that would not otherwise 272 be classified as a gaming device, including dice, playing cards, 273 links which connect to progressive slot machines, equipment which 274 affects the proper reporting of gross revenue, computerized 275 systems of betting at a race book or sports pool, computerized 276 systems for monitoring slot machines, and devices for weighing or 277 counting money.

H. B. No. 774 24/HR26/R1336.2 PAGE 11 (GT\KW) (d) "Chairman" means the Chairman of the Mississippi
Gaming Commission except when used in the term "Chairman of the
State Tax Commission." "Chairman of the State Tax Commission" or
"commissioner" means the Commissioner of Revenue of the Department
of Revenue.

(e) "Commission" or "Mississippi Gaming Commission"284 means the Mississippi Gaming Commission.

285 (f) "Commission member" means a member of the 286 Mississippi Gaming Commission.

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

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

(i) "Establishment" means any premises wherein orwhereon any gaming is done.

(j) "Executive director" means the Executive Directorof the Mississippi Gaming Commission.

(k) Except as otherwise provided by law, "game," or "gambling game" means any banking or percentage game played with and cards, with dice or with any mechanical, electromechanical or electronic device or machine for money, property, checks, credit or any representative of value, including, without limiting, the

H. B. No. 774 ~ OFFICIAL ~ 24/HR26/R1336.2 PAGE 12 (GT\KW) 303 generality of the foregoing, faro, monte, roulette, keno, fan tan, 304 twenty one, blackjack, seven and a half, big injun, klondike, 305 craps, poker, chuck a luck (dai shu), wheel of fortune, chemin de 306 fer, baccarat, pai gow, beat the banker, panguingui, slot machine, 307 or any other game or device approved by the commission. However, 308 "game" or "gambling game" shall not include bingo games or raffles 309 which are held pursuant to the provisions of Section 97-33-51, or 310 the illegal gambling activities described in Section 97-33-8.

311 The commission shall not be required to recognize any game 312 hereunder with respect to which the commission determines it does 313 not have sufficient experience or expertise.

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

317 "Gaming device" means any mechanical, (m) 318 electromechanical or electronic contrivance, component or machine 319 used in connection with gaming or any game which affects the 320 result of a wager by determining win or loss. The term includes a 321 system for processing information which can alter the normal 322 criteria of random selection, which affects the operation of any 323 game, or which determines the outcome of a game. The term does 324 not include a system or device which affects a game solely by 325 stopping its operation so that the outcome remains undetermined, 326 and does not include any antique coin machine as defined in 327 Section 27-27-12.

H. B. No. 774 **~ OFFICIAL ~** 24/HR26/R1336.2 PAGE 13 (GT\KW) 328 (n) "Gaming employee" means any person connected 329 directly with the operation of a gaming establishment licensed to 330 conduct any game, including: 331 (i) Boxmen; 332 (ii) Cashiers; 333 (iii) Change personnel; 334 (iv) Counting room personnel; 335 (v) Dealers; 336 (vi) Floormen; 337 (vii) Hosts or other persons empowered to extend 338 credit or complimentary services; 339 (viii) Keno runners; 340 (ix) Keno writers; 341 (x) Machine mechanics; 342 (xi) Security personnel; (xii) Shift or pit bosses; 343 344 (xiii) Shills; 345 (xiv) Supervisors or managers; and 346 (xv) Ticket writers. 347 The term "gaming employee" also includes employees of 348 manufacturers or distributors of gaming equipment within this 349 state whose duties are directly involved with the manufacture, 350 repair or distribution of gaming equipment.

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351 "Gaming employee" does not include bartenders, cocktail 352 waitresses or other persons engaged in preparing or serving food 353 or beverages unless acting in some other capacity.

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

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

363 (ii) Cash received in payment for credit extended 364 by a licensee to a patron for purposes of gaming; and

Cash received as winnings;

365 (iii) Compensation received for conducting any 366 game in which the licensee is not party to a wager.

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

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The term does not include:

(i)

371 (i) Counterfeit money or tokens;
372 (ii) Coins of other countries which are received
373 in gaming devices;

374 (iii) Cash taken in fraudulent acts perpetrated375 against a licensee for which the licensee is not reimbursed; or

H. B. No. 774 ~ OFFICIAL ~ 24/HR26/R1336.2 PAGE 15 (GT\KW) 376 (iv) Cash received as entry fees for contests or377 tournaments in which the patrons compete for prizes.

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

381 (r) "Investigation division" means a particular 382 division supervised by the executive director that provides 383 investigative functions.

384 (s) "License" means a gaming license or a 385 manufacturer's, seller's or distributor's license.

386 (t) "Licensee" means any person to whom a valid license 387 has been issued.

388 (u) "License fees" means monies required by law to be 389 paid to obtain or continue a gaming license or a manufacturer's, 390 seller's or distributor's license.

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

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

396 (x) "Navigable waters" shall have the meaning ascribed 397 to such term under Section 27-109-1.

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

399 (z) "Party" means the Mississippi Gaming Commission and400 any licensee or other person appearing of record in any proceeding

401 before the commission; or the Mississippi Gaming Commission and 402 any licensee or other person appearing of record in any proceeding 403 for judicial review of any action, decision or order of the 404 commission.

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

408 (bb) "Premises" means land, together with all 409 buildings, improvements and personal property located thereon, and 410 includes all parts of any vessel or cruise vessel.

411 (cc) "Race book" means the business of accepting wagers 412 upon the outcome of any event held at a track which uses the 413 pari-mutuel system of wagering <u>and includes "online race book" as</u> 414 defined by this act.

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

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

424 (ii) A declaratory ruling;

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(iii) An interagency memorandum;

426 (iv) The commission's decision in a contested case427 or relating to an application for a license; or

428 (v) Any notice concerning the fees to be charged429 which are necessary for the administration of this chapter.

430 (ee) "Respondent" means any licensee or other person431 against whom a complaint has been filed with the commission.

432 "Slot machine" means any mechanical, electrical or (ff) 433 other device, contrivance or machine which, upon insertion of a 434 coin, token or similar object, or upon payment of any consideration, is available to play or operate, the play or 435 436 operation of which, whether by reason of the skill of the operator 437 or application of the element of chance, or both, may deliver or 438 entitle the person playing or operating the machine to receive 439 cash, premiums, merchandise, tokens or anything of value, whether the payoff is made automatically from the machine or in any other 440 441 manner. The term does not include any antique coin machine as 442 defined in Section 27-27-12.

(gg) "Sports pool" means the business of accepting wagers on collegiate or professional sporting events or athletic events, by any system or method of wagering other than the system known as the "pari-mutuel method of wagering * * *", and includes "online sports pool" as defined by this act.

(hh) "State Tax Commission" or "department" means theDepartment of Revenue of the State of Mississippi.

H. B. No. 774 **~ OFFICIAL ~** 24/HR26/R1336.2 PAGE 18 (GT\KW) 450 (ii) "Temporary work permit" means a work permit which
451 is valid only for a period not to exceed ninety (90) days from its
452 date of issue and which is not renewable.

453 (jj) "Vessel" or "cruise vessel" shall have the454 meanings ascribed to such terms under Section 27-109-1.

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

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

464 (mm) "Cheat" means to alter the selection of criteria 465 that determine:

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(i) The rules of a game; or

467 (ii) The amount or frequency of payment in a game. 468 "Promotional activity" means an activity or event (nn) 469 conducted or held for the purpose of promoting or marketing the 470 individual licensed gaming establishment that is engaging in the 471 promotional activity. The term includes, but is not limited to, a game of any kind other than as defined in paragraph (k) of this 472 473 section, a tournament, a contest, a drawing, or a promotion of any kind. 474

H. B. No. 774 **~ OFFICIAL ~** 24/HR26/R1336.2 PAGE 19 (gT\kW) 475 **SECTION 8.** Section 75-76-33, Mississippi Code of 1972, is 476 amended as follows:

477 75-76-33. (1) The commission shall, from time to time, adopt, amend or repeal such regulations, consistent with the 478 479 policy, objects and purposes of this chapter, as it may deem 480 necessary or desirable in the public interest in carrying out the 481 policy and provisions of this chapter. The commission shall 482 comply with the Mississippi Administrative Procedures Law when 483 adopting, amending or repealing any regulations authorized under this section or under any other provision of this chapter. 484

485 (2) These regulations shall, without limiting the general486 powers herein conferred, include the following:

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

492 (b) Prescribing the information to be furnished by any
493 applicant or licensee concerning his antecedents, habits,
494 character, associates, criminal record, business activities and
495 financial affairs, past or present.

496 (c) Prescribing the information to be furnished by a497 licensee relating to his employees.

498 (d) Requiring fingerprinting of an applicant or499 licensee, and gaming employees of a licensee, or other methods of

500 identification and the forwarding of all fingerprints taken 501 pursuant to regulation of the Federal Bureau of Investigation.

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

506 (f) Requiring any applicant to pay all or any part of 507 the fees and costs of investigation of such applicant as may be 508 determined by the commission under paragraph (g) of this 509 subsection (2).

510 (q) Prescribing the amounts of investigative fees only as authorized by regulations of the commission under paragraph (f) 511 512 of this subsection, and collecting those fees. The commission 513 shall adopt regulations setting the amounts of those fees at levels that will provide the commission with sufficient revenue, 514 515 when combined with any other monies as may be deposited into the 516 Mississippi Gaming Commission Fund created in Section 75-76-325, to carry out the provisions of this chapter without any state 517 518 general funds. In calculating the amount of such fees, the 519 commission shall:

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

H. B. No. 774 **~ OFFICIAL ~** 24/HR26/R1336.2 PAGE 21 (GT\KW) (ii) Demonstrate the reasonableness of the
relationship between a fee and the actual costs of the
investigative activity for which the fee is being prescribed.

528 (h) Prescribing the manner and method of collection and 529 payment of fees and issuance of licenses.

530 (i) Prescribing under what conditions a licensee may be531 deemed subject to revocation or suspension of his license.

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

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

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

542 (m) Governing the use and approval of gambling devices 543 and equipment.

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

547 (o) Restricting access to confidential information 548 obtained under this chapter and ensuring that the confidentiality 549 of such information is maintained and protected.

H. B. No. 774 **~ OFFICIAL ~** 24/HR26/R1336.2 PAGE 22 (gt\kw) 550 (p) Prescribing the manner and procedure by which the 551 executive director on behalf of the commission shall notify a 552 county or a municipality wherein an applicant for a license 553 desires to locate.

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

(3) Notwithstanding any other provision of law, each licensee shall be required to comply with the regulation that no wager may be placed by, or on behalf of, any individual or entity or group, not present on a licensed vessel or cruise vessel, <u>except through an online sports pool or online race book, or as</u> otherwise provided by this act.

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

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

572 SECTION 9. Section 75-76-89, Mississippi Code of 1972, is 573 amended as follows:

574 75-76-89. (1) Except as otherwise provided in subsection (\star \star 2) of this section, all licenses issued to the same person, 575 576 including a wholly owned subsidiary of that person, for the 577 operation of any game, including a sports pool or race book, 578 whether online or in person, which authorize gaming at the same 579 establishment must be merged into a single gaming license. A 580 gaming license may not be issued to any person if the issuance would result in more than one (1) licensed operation at a single 581 582 establishment, unless authorized by this act whether or not the profits or revenue from gaming are shared between the licensed 583 584 operations.

(2) A person who has been issued a gaming license, or a platform on behalf of the holder of a gaming license, may establish a sports pool or race book on the premises of the establishment at which he or she conducts a gaming operation <u>or</u> <u>operates an online sports pool or online race book</u> only after obtaining permission from the executive director.

591 SECTION 10. Section 75-76-91, Mississippi Code of 1972, is 592 amended as follows:

593 75-76-91. (1) All licenses issued under the provisions of 594 this chapter must be posted by the licensee and kept posted at all 595 times in a conspicuous place in the establishment for which issued 596 until replaced by a succeeding license. <u>The gaming licensee shall</u> 597 <u>also conspicuously post the license for the platform used in its</u>

598 <u>establishment.</u>

H. B. No. 774 **~ OFFICIAL ~** 24/HR26/R1336.2 PAGE 24 (GT\KW) 599 (2) All licenses may be inspected by authorized state,600 county and municipal officials.

601 SECTION 11. Section 75-76-203, Mississippi Code of 1972, is 602 amended as follows:

603 75-76-203. In order to be eligible to receive a state gaming 604 license, a corporation shall:

605 (a) Be incorporated:

(i) In the State of Mississippi, although such
corporation may be a wholly or partly owned subsidiary of a
corporation which is chartered in another state of the United
States; or

(ii) In another state of the United States, if all
persons having any direct or indirect interest of any nature in
such corporation are licensed as required by this chapter and any
applicable regulations of the commission;

(b) Maintain an office of the corporation on the
licensed premises, except for any platform that operates on behalf
of a holder of a gaming license in this state;

617 (c) Comply with all of the requirements of the laws of618 the State of Mississippi pertaining to corporations; and

619 (d) Maintain a ledger in the principal office of the620 corporation in Mississippi, which shall:

(i) At all times reflect the ownership of everyclass of security issued by the corporation; and

H. B. No. 774 **~ OFFICIAL ~** 24/HR26/R1336.2 PAGE 25 (GT\KW) (ii) Be available for inspection by the commission
or the executive director or his employees at all reasonable times
without notice.

626 SECTION 12. Section 75-76-205, Mississippi Code of 1972, is 627 brought forward as follows:

628 75-76-205. No domestic corporation is eligible to receive a 629 gaming license unless it is in good standing in this state. No 630 foreign corporation is eligible to receive a gaming license unless 631 it qualifies to do business in this state.

632 SECTION 13. Section 75-76-211, Mississippi Code of 1972, is 633 brought forward as follows:

634 75-76-211. All officers and directors of the corporation 635 which holds or applies for a state gaming license must be licensed 636 individually, according to the provisions of this chapter; and if, 637 in the judgment of the commission, the public interest will be 638 served by requiring any or all of the corporation's individual 639 stockholders, lenders, holders of evidences of indebtedness, 640 underwriters, key executives, agents or employees to be licensed, 641 the corporation shall require such persons to apply for a license 642 in accordance with the laws and requirements in effect at the time 643 the commission requires such licensing. A person who is required 644 to be licensed by this section shall apply for a license within 645 thirty (30) days after he becomes an officer or director. A 646 person who is required to be licensed pursuant to a decision of

H. B. No. 774 24/HR26/R1336.2 PAGE 26 (GT\KW) 647 the commission shall apply for a license within thirty (30) days 648 after the executive director requests him to do so.

649 SECTION 14. Section 75-76-55, Mississippi Code of 1972, is 650 brought forward as follows:

651 75-76-55. (1) Except as otherwise provided in Section 652 75-76-34, it is unlawful for any person, either as owner, lessee 653 or employee, whether for hire or not, either solely or in 654 conjunction with others, without having first procured and 655 thereafter maintaining in effect a state gaming license:

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

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

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

668 (2) Except as otherwise provided in Section 75-76-34, it is
669 unlawful for any person knowingly to permit any gambling game,
670 including, without limitation, any slot machine, gaming device,
671 race book or sports pool to be conducted, operated, dealt or

H. B. No. 774 **~ OFFICIAL ~** 24/HR26/R1336.2 PAGE 27 (GT\KW) 672 carried on in any house or building or other premises owned by 673 him, in whole or in part, by a person who is not licensed pursuant 674 to this chapter or by his employee.

675 SECTION 15. Section 75-76-79, Mississippi Code of 1972, is 676 amended as follows:

677 75-76-79. (1) (a) Except as otherwise provided in paragraphs (b) and (c) of this subsection, it is unlawful for any 678 679 person, either as owner, lessee or employee, whether for hire or 680 not, to operate, carry on, conduct or maintain any form of manufacture, selling or distribution of any gaming device for use 681 682 or play in Mississippi or for distribution outside of Mississippi 683 without first procuring and maintaining all required federal and 684 state licenses.

(b) A lessor who specifically acquires equipment for acapital lease is not required to be licensed under this section.

687 (C) The holder of a state gaming license or the holding 688 company of a corporate licensee may, within two (2) years after 689 cessation of business or upon specific approval by the executive 690 director, dispose of by sale in a manner approved by the executive 691 director, any or all of its gaming devices, including slot 692 machines, without a distributor's license. In cases of bankruptcy 693 of a state gaming licensee or foreclosure of a lien by a bank or 694 other person holding a security interest for which gaming devices 695 are security, in whole or in part, for the lien, the executive

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696 director may authorize the disposition of the gaming devices 697 without requiring a distributor's license.

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

(e) Every person who must be licensed pursuant to this section is subject to the provisions of Sections 75-76-199 through 706 75-76-265, unless exempted from those provisions by the commission.

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

713 (g) As used in this section, "holding company" has the 714 meaning ascribed to it in Section 75-76-199.

715 (2) If the commission determines that a manufacturer or 716 distributor is unsuitable to receive or hold a license:

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

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

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

728 Any association or agreement between the (d) 729 manufacturer or distributor and a licensee must be terminated, 730 unless otherwise provided by the commission. An agreement between 731 such a manufacturer or distributor of gaming devices or associated 732 equipment and a licensee shall be deemed to include a provision 733 for its termination without liability on the part of the licensee 734 upon a finding by the commission that the manufacturer is 735 unsuitable to be associated with a gaming enterprise. Failure to 736 include that condition in the agreement is not a defense in any 737 action brought pursuant to this section to terminate the 738 agreement.

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

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

747 (a) For the issuance or continuation of a748 manufacturer's license, One Thousand Dollars (\$1,000.00).

749 (b) For the issuance or continuation of a seller's or 750 distributor's license, Five Hundred Dollars (\$500.00).

This fee is to be paid by the applicant to the *** * *** <u>Department of Revenue</u> on or before the filing of the application for a manufacturer's, seller's or distributor's license by the applicant. Upon such payment the *** * *** <u>Commissioner of Revenue</u> shall certify to the executive director that such fee has been paid by the applicant.

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

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

H. B. No. 774 **~ OFFICIAL ~** 24/HR26/R1336.2 PAGE 31 (GT\KW) Any person who directly or indirectly involves himself in the sale, transfer or offering for use or play in Mississippi of associated equipment who is not otherwise required to be licensed as a manufacturer or distributor may be required by the executive director to file an application for a finding of suitability to be a manufacturer or distributor of associated equipment.

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

(6) The executive director and his employees may inspect
every gaming device which is manufactured, sold or distributed:
(a) For use in this state, before the gaming device is

782 put into play.

(b) In this state for use outside this state, beforethe gaming device is shipped out of this state.

785 The executive director may inspect every gaming device which 786 is offered for play within this state by a licensee.

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

790 In addition to all other fees and charges imposed by this 791 chapter, the executive director may determine an inspection fee 792 with regard to each manufacturer, seller or distributor which must 793 not exceed the actual cost of inspection and investigation. Upon

H. B. No. 774 **~ OFFICIAL ~** 24/HR26/R1336.2 PAGE 32 (GT\KW) such determination, the executive director shall certify to the * * * <u>Commissioner of Revenue</u> the amount of the inspection fee and the name and address of the applicant. Upon such certification the * * * <u>Department of Revenue</u> shall proceed to assess and collect such inspection fee from the applicant.

799 SECTION 16. Section 75-76-101, Mississippi Code of 1972, is 800 amended as follows:

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

804 (2) Except for an online sports pool or online race book, no 805 licensee shall permit participation by a person in a game 806 conducted in the licensed gaming establishment if such person is 807 not physically present in the licensed gaming establishment during 808 the period of time when such game is being conducted, and all 809 games and the participation of patrons therein shall be entirely 810 located and conducted on the licensed premises.

811 SECTION 17. Section 75-76-175, Mississippi Code of 1972, is 812 amended as follows:

813 75-76-175. (1) A credit instrument accepted on or after
814 June 29, 1991, is valid and may be enforced by legal process.

815 (2) A licensee or a person acting on the licensee's behalf816 may accept an incomplete credit instrument which:

817 (a) Is signed by a patron; and

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

H. B. No. 774 **~ OFFICIAL ~** 24/HR26/R1336.2 PAGE 33 (GT\KW) 819 <u>Such licensee or person acting on the licensee's behalf</u> *** * *** 820 may complete the instrument as is necessary for the instrument to 821 be presented for payment.

822

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

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

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

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

(4) This section does not prohibit the establishment of an
account by a deposit of cash, recognized traveler's check, or any
other instruments which is equivalent to cash.

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

841 (6) The commission may adopt regulations prescribing the 842 conditions under which a credit instrument may be redeemed or 843 presented to a bank for collection or payment.

H. B. No. 774 **~ OFFICIAL ~** 24/HR26/R1336.2 PAGE 34 (gt\kw) 844 SECTION 18. Section 75-76-177, Mississippi Code of 1972, is 845 amended as follows:

846 75-76-177. (1) From and after August 1, 1990, there is 847 hereby imposed and levied on each gaming licensee a license fee 848 based upon all the gross revenue of the licensee as follows:

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

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

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

859 (2)All revenue received from any game or gaming device 860 which is leased for operation on the premises of the licensee 861 owner to a person other than the owner thereof or which is located 862 in an area or space on such premises which is leased by the 863 licensee owner to any such person, must be attributed to the owner 864 for the purposes of this section and be counted as part of the 865 gross revenue of the owner. The lessee is liable to the owner for 866 his proportionate share of such license fees.

867 (3) If the amount of license fees required to be reported868 and paid pursuant to this section is later determined to be

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869 greater or less than the amount actually reported and paid by the 870 licensee, the * * * Commissioner of Revenue shall:

871 (a) Assess and collect the additional license fees872 determined to be due, with interest thereon until paid; or

(b) Refund any overpayment, with interest thereon, tothe licensee.

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

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

882 SECTION 19. Section 97-33-305, Mississippi Code of 1972, is 883 brought forward as follows:

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

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

891 (a) Prevent employees of the operator, and relatives892 living in the same household with an employee of an operator, from

H. B. No. 774 **~ OFFICIAL ~** 24/HR26/R1336.2 PAGE 36 (GT\KW)
893 competing in fantasy contests offered by an operator in which the 894 operator offers a cash prize;

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

898 (c) Prevent the operator from participating in a 899 fantasy contest offered by the operator;

900 (d) Verify that a fantasy contest player is eighteen 901 (18) years of age or older except as required in Section 902 97-33-307(5);

903 (e) Ensure that individuals who participate or 904 officiate in a sporting event or who own, manage or coach a team 905 or player who participates in a sporting event will not knowingly 906 be allowed to enter a fantasy contest that is determined, in whole 907 or in part, on accumulated statistical results that include a 908 sporting event in which the individual could be involved as an 909 athlete, official, owner, manager or coach;

910 (f) Allow individuals to restrict themselves from 911 entering a fantasy contest upon request and provide reasonable 912 steps to prevent the person from entering fantasy contests offered 913 by the operator;

914 (g) Disclose the number of entries that a player may 915 submit to each fantasy contest and provide reasonable steps to 916 prevent players from submitting more than the allowable number;

H. B. No. 774 **~ OFFICIAL ~** 24/HR26/R1336.2 PAGE 37 (GT\KW) 917 (h) Restrict the number of entries submitted by a918 single player for any contest as follows:

919 (i) An operator shall not allow a player to submit 920 more than one (1) entry in a contest involving twelve (12) or 921 fewer players.

922 (ii) If the number of players in a contest is more 923 than twelve (12) but fewer than thirty seven (37), an operator 924 shall not allow a player to submit more than two (2) entries. 925 (iii) If the number of players in a contest is at

926 least thirty seven (37) but no more than one hundred (100), an 927 operator shall not allow a player to submit more than three (3) 928 entries.

929 (iv) In any contest involving more than one 930 hundred (100) players, an operator shall not allow a player to 931 submit more than the lesser of:

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935 Operator must prominently include information about the maximum
936 number of entries that may be submitted for that contest.
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937
(vi) An operator may establish fantasy contests in

938 which there is no restriction on the number of entries, if those 939 contests constitute less than two percent (2%) of the total number 940 of contests it offers, and if the operator clearly discloses:

H. B. No. 774 **~ OFFICIAL ~** 24/HR26/R1336.2 PAGE 38 (GT\KW) 941 1. That there are no limits on the number of 942 entries by each player in the contest; and

943 2. That the cost of participating in such a 944 contest is Fifty Dollars (\$50.00) or more per entry;

945 (i) Offer introductory procedures for players that are 946 prominently displayed on the main page of the operator's platform 947 to explain contest play and how to identify a highly experienced 948 player;

949 (j) Identify all highly experienced players in every 950 fantasy contest by a symbol attached to the players' usernames, or 951 by other easily visible means, on all platforms supported by the 952 operator; and

953 (k) Segregate fantasy contest player funds from 954 operational funds or maintain a reserve in the form of cash, cash 955 equivalents, payment processor reserves and receivables, an 956 irrevocable letter of credit, a bond, or a combination thereof, in 957 the amount of the total account balances of the fantasy contest 958 players for the benefit and protection of the funds held in the 959 accounts.

960 (3) An operator shall not offer contests based on the 961 performance of participants in collegiate, high school or youth 962 sports events.

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

H. B. No. 774 **~ OFFICIAL ~** 24/HR26/R1336.2 PAGE 39 (GT\KW) 966 (5) (a) Advertisements for contests and prizes offered by 967 an operator shall not target prohibited participants, minors, or 968 self excluded persons.

969 (b) Representations or implications about average 970 winnings from contests shall not be unfair or misleading. Such 971 representations shall include, at a minimum:

972 (i) The median and mean net winnings of all973 players participating in contests offered by the operator; and

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

977 (6) Operators shall prohibit the use of third party scripts 978 or scripting programs for any contest and ensure that measures are 979 in place to deter, detect and, to the extent reasonably possible, 980 prevent cheating, including collusion, and the use of cheating 981 devices, including use of software programs that submit entry fees 982 or adjust the athletes selected by a player.

983 (7) The values of all prizes and awards offered to winning 984 players must be established and made known to the players in 985 advance of the contest.

986 SECTION 20. Section 97-33-27, Mississippi Code of 1972, is 987 amended as follows:

988 97-33-27. If any person shall bet on a horse race or a yacht 989 race or on a shooting match, he shall be fined not more than Five 990 Hundred Dollars (\$500.00), and, unless the fine and costs be

H. B. No. 774 **~ OFFICIAL ~** 24/HR26/R1336.2 PAGE 40 (gt\kw) 991 immediately paid, he shall be imprisoned in the county jail not 992 more than ninety (90) days; provided, however, this section shall 993 not apply to betting, gaming or wagering:

994 On a cruise vessel as defined in Section 27-109-1 (a) 995 whenever such vessel is in the waters within the State of 996 Mississippi, which lie adjacent to the State of Mississippi south 997 of the three (3) most southern counties in the State of 998 Mississippi, including the Mississippi Sound, St. Louis Bay, 999 Biloxi Bay and Pascagoula Bay, and in which the registered voters of the county in which the port is located have not voted to 1000 1001 prohibit such betting, gaming or wagering on cruise vessels as provided in Section 19-3-79; 1002

(b) In a structure located in whole or in part on shore in any of the three (3) most southern counties in the State of Mississippi in which the registered voters of the county have voted to allow such betting, gaming or wagering on cruise vessels as provided in Section 19-3-79, if:

1008 (i) The structure is owned, leased or controlled
1009 by a person possessing a gaming license, as defined in Section
1010 75-76-5, to conduct legal gaming on a cruise vessel under
1011 paragraph (a) of this section;

(ii) The part of the structure in which licensed gaming activities are conducted is located entirely in an area which is located no more than eight hundred (800) feet from the mean high-water line (as defined in Section 29-15-1) of the waters

H. B. No. 774 **~ OFFICIAL ~** 24/HR26/R1336.2 PAGE 41 (GT\KW) 1016 within the State of Mississippi, which lie adjacent to the State 1017 of Mississippi south of the three (3) most southern counties in 1018 the State of Mississippi, including the Mississippi Sound, St. 1019 Louis Bay, Biloxi Bay and Pascagoula Bay, or, with regard to 1020 Harrison County only, no farther north than the southern boundary 1021 of the right-of-way for U.S. Highway 90, whichever is greater; and

1022 In the case of a structure that is located (iii) 1023 in whole or part on shore, the part of the structure in which 1024 licensed gaming activities are conducted shall lie adjacent to 1025 state waters south of the three (3) most southern counties in the 1026 State of Mississippi, including the Mississippi Sound, St. Louis Bay, Biloxi Bay and Pascagoula Bay. When the site upon which the 1027 1028 structure is located consists of a parcel of real property, easements and rights-of-way for public streets and highways shall 1029 1030 not be construed to interrupt the contiguous nature of the parcel, 1031 nor shall the footage contained within the easements and 1032 rights-of-way be counted in the calculation of the distances 1033 specified in subparagraph (ii) * * *;

(c) On a vessel as defined in Section 27-109-1 whenever such vessel is on the Mississippi River or navigable waters within any county bordering on the Mississippi River, and in which the registered voters of the county in which the port is located have not voted to prohibit such betting, gaming or wagering on vessels as provided in Section 19-3-79; or

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H. B. No. 774 24/HR26/R1336.2 PAGE 42 (GT\KW) 1040 (d) That is legal under the laws of the State of 1041 Mississippi.

1042 **SECTION 21.** Section 97-33-8, Mississippi Code of 1972, is 1043 amended as follows:

1044 97-33-8. (1) The provisions of this section are intended to 1045 clarify that the operation of "Internet sweepstakes cafes" is an 1046 illegal gambling activity under state law.

1047 (2) It shall be unlawful for any person or entity to 1048 possess, own, control, display, operate or have a financial 1049 interest in an electronic video monitor that:

(a) Is offered or made available to a person to play or participate in a simulated gambling program in return for direct or indirect consideration, including consideration associated with a product, service or activity other than the simulated gambling program; and

(b) The person who plays or participates in the simulated gambling program may become eligible to win, redeem or otherwise obtain a cash or cash-equivalent prize, whether or not the eligibility for or value of the prize is determined by or has any relationship to the outcome or play of the program.

1060 (3) As used in this section, the following words and phrases 1061 shall have the meanings ascribed in this subsection, unless the 1062 context clearly indicates otherwise:

1063 (a) "Simulated gambling program" means any method1064 intended to be used by a person playing, participating or

H. B. No. 774 **~ OFFICIAL ~** 24/HR26/R1336.2 PAGE 43 (GT\KW) 1065 interacting with an electronic video monitor that is offered by 1066 another person or entity; that directly or indirectly implements 1067 the predetermination of a cash or cash-equivalent prize, or 1068 otherwise connects the player with the cash or cash-equivalent 1069 prize; and that is not legal under the Mississippi Gaming Control 1070 Act.

1071 "Consideration associated with a product, service (b) 1072 or activity other than the simulated gambling program" means money 1073 or other value collected for a product, service or activity that is offered in any direct or indirect relationship to playing or 1074 1075 participating in the simulated gambling program. The term 1076 includes consideration paid for Internet access or computer time, 1077 or a sweepstakes entry.

1078 (c) "Electronic video monitor" means any unit,
1079 mechanism, computer or other terminal, or device that is capable
1080 of displaying moving or still images.

(4) Any person or entity violating the provisions of this
section, upon conviction, shall be guilty of a misdemeanor and
fined not more than One Thousand Dollars (\$1,000.00) or imprisoned
for not less than one (1) year, or both.

(5) The provisions of this section shall not apply to:
(a) Any lawful activity that is conducted for the
primary purpose of entertaining children under the age of eighteen
(18) years, during which money is paid for a token or chip that is

H. B. No. 774 **~ OFFICIAL ~** 24/HR26/R1336.2 PAGE 44 (GT\KW) 1089 used to play an electronic or other game, with the winner of the 1090 game earning tickets that can be exchanged for prizes;

1091 (b) Any lawful marketing promotion, contest, prize or 1092 sweepstakes that is designed to attract consumer attention to a 1093 specific product or service which is offered for sale by the 1094 manufacturer, distributor, vendor or retailer of the product or 1095 service; or

1096 (c) Any promotional activity as defined in Section 1097 75-76-5 that is conducted by a gaming licensee.

1098 **SECTION 22.** Section 97-33-25, Mississippi Code of 1972, is 1099 amended as follows:

1100 97-33-25. If any person shall sell or buy, either directly 1101 or indirectly, any chance in what is commonly called pool, upon 1102 any event whatever, or shall in any manner engage in such business 1103 or pastime, he shall be fined not more than Five Hundred Dollars 1104 (\$500.00) or shall be imprisoned in the county jail not more than 1105 ninety (90) days; provided, however, this section shall not apply 1106 to betting, gaming or wagering:

(a) On a cruise vessel as defined in Section 27-109-1
whenever such vessel is in the waters within the State of
Mississippi, which lie adjacent to the State of Mississippi south
of the three (3) most southern counties in the State of
Mississippi, including the Mississippi Sound, St. Louis Bay,
Biloxi Bay and Pascagoula Bay, and in which the registered voters
of the county in which the port is located have not voted to

H. B. No. 774 **~ OFFICIAL ~** 24/HR26/R1336.2 PAGE 45 (GT\KW) 1114 prohibit such betting, gaming or wagering on cruise vessels as 1115 provided in Section 19-3-79;

(b) In a structure located in whole or in part on shore in any of the three (3) most southern counties in the State of Mississippi in which the registered voters of the county have voted to allow such betting, gaming or wagering on cruise vessels as provided in Section 19-3-79, if:

(i) The structure is owned, leased or controlled by a person possessing a gaming license, as defined in Section 75-76-5, to conduct legal gaming on a cruise vessel under paragraph (a) of this section;

1125 (ii) The part of the structure in which licensed 1126 gaming activities are conducted is located entirely in an area which is located no more than eight hundred (800) feet from the 1127 1128 mean high-water line (as defined in Section 29-15-1) of the waters 1129 within the State of Mississippi, which lie adjacent to the State 1130 of Mississippi south of the three (3) most southern counties in the State of Mississippi, including the Mississippi Sound, St. 1131 1132 Louis Bay, Biloxi Bay and Pascagoula Bay, or, with regard to 1133 Harrison County only, no farther north than the southern boundary 1134 of the right-of-way for U.S. Highway 90, whichever is greater; and 1135 In the case of a structure that is located (iii) 1136 in whole or part on shore, the part of the structure in which

1137 licensed gaming activities are conducted shall lie adjacent to 1138 state waters south of the three (3) most southern counties in the

H. B. No. 774 **~ OFFICIAL ~** 24/HR26/R1336.2 PAGE 46 (gT\KW) 1139 State of Mississippi, including the Mississippi Sound, St. Louis Bay, Biloxi Bay and Pascagoula Bay. When the site upon which the 1140 structure is located consists of a parcel of real property, 1141 1142 easements and rights-of-way for public streets and highways shall 1143 not be construed to interrupt the contiguous nature of the parcel, 1144 nor shall the footage contained within the easements and rights-of-way be counted in the calculation of the distances 1145 1146 specified in subparagraph (ii) * * *;

(c) On a vessel as defined in Section 27-109-1 whenever such vessel is on the Mississippi River or navigable waters within any county bordering on the Mississippi River, and in which the registered voters of the county in which the port is located have not voted to prohibit such betting, gaming or wagering on vessels as provided in Section 19-3-79; or

(d) That is legal under the laws of the State of Mississippi.

SECTION 23. Section 97-33-1, Mississippi Code of 1972, is brought forward as follows:

97-33-1. Except as otherwise provided in Section 97-33-8, if any person shall encourage, promote or play at any game, play or amusement, other than a fight or fighting match between dogs, for money or other valuable thing, or shall wager or bet, promote or encourage the wagering or betting of any money or other valuable things, upon any game, play, amusement, cockfight, Indian ball play or duel, other than a fight or fighting match between dogs,

H. B. No. 774 **~ OFFICIAL ~** 24/HR26/R1336.2 PAGE 47 (GT\KW) 1164 or upon the result of any election, event or contingency whatever, 1165 upon conviction thereof, he shall be fined in a sum not more than 1166 Five Hundred Dollars (\$500.00); and, unless such fine and costs be 1167 immediately paid, shall be imprisoned for any period not more than 1168 ninety (90) days. However, this section shall not apply to 1169 betting, gaming or wagering:

1170 (a) On a cruise vessel as defined in Section 27-109-1 1171 whenever such vessel is in the waters within the State of 1172 Mississippi, which lie adjacent to the State of Mississippi south of the three (3) most southern counties in the State of 1173 1174 Mississippi, including the Mississippi Sound, St. Louis Bay, Biloxi Bay and Pascagoula Bay, and in which the registered voters 1175 1176 of the county in which the port is located have not voted to prohibit such betting, gaming or wagering on cruise vessels as 1177 provided in Section 19-3-79; 1178

(b) In a structure located, in whole or in part, on shore in any of the three (3) most southern counties in the State of Mississippi in which the registered voters of the county have voted to allow such betting, gaming or wagering on cruise vessels as provided in Section 19-3-79, if:

(i) The structure is owned, leased or controlled by a person possessing a gaming license, as defined in Section 75-76-5, to conduct legal gaming on a cruise vessel under paragraph (a) of this section;

H. B. No. 774 **~ OFFICIAL ~** 24/HR26/R1336.2 PAGE 48 (GT\KW) 1188 (ii) The part of the structure in which licensed 1189 gaming activities are conducted is located entirely in an area which is located no more than eight hundred (800) feet from the 1190 mean high-water line (as defined in Section 29-15-1) of the waters 1191 1192 within the State of Mississippi, which lie adjacent to the State 1193 of Mississippi south of the three (3) most southern counties in the State of Mississippi, including the Mississippi Sound, St. 1194 1195 Louis Bay, Biloxi Bay and Pascagoula Bay, or, with regard to 1196 Harrison County only, no farther north than the southern boundary 1197 of the right-of-way for U.S. Highway 90, whichever is greater; and

1198 (iii) In the case of a structure that is located 1199 in whole or part on shore, the part of the structure in which 1200 licensed gaming activities are conducted shall lie adjacent to 1201 state waters south of the three (3) most southern counties in the 1202 State of Mississippi, including the Mississippi Sound, St. Louis 1203 Bay, Biloxi Bay and Pascagoula Bay. When the site upon which the 1204 structure is located consists of a parcel of real property, easements and rights-of-way for public streets and highways shall 1205 1206 not be construed to interrupt the contiguous nature of the parcel, 1207 nor shall the footage contained within the easements and 1208 rights-of-way be counted in the calculation of the distances 1209 specified in subparagraph (ii);

1210 (c) On a vessel as defined in Section 27-109-1 whenever 1211 such vessel is on the Mississippi River or navigable waters within 1212 any county bordering on the Mississippi River, and in which the

H. B. No. 774 **~ OFFICIAL ~** 24/HR26/R1336.2 PAGE 49 (GT\KW) 1213 registered voters of the county in which the port is located have 1214 not voted to prohibit such betting, gaming or wagering on vessels 1215 as provided in Section 19-3-79; or

1216 (d) That is legal under the laws of the State of1217 Mississippi.

1218 SECTION 24. Section 97-33-7, Mississippi Code of 1972, is 1219 brought forward as follows:

1220 97-33-7. (1) Except as otherwise provided in Section 1221 97-33-8, it shall be unlawful for any person or persons, firm, 1222 copartnership or corporation to have in possession, own, control, 1223 display, or operate any cane rack, knife rack, artful dodger, punch board, roll down, merchandise wheel, slot machine, pinball 1224 1225 machine, or similar device or devices. Provided, however, that 1226 this section shall not be so construed as to make unlawful the 1227 ownership, possession, control, display or operation of any 1228 antique coin machine as defined in Section 27-27-12, or any music 1229 machine or bona fide automatic vending machine where the purchaser receives exactly the same quantity of merchandise on each 1230 1231 operation of said machine. Any slot machine other than an antique 1232 coin machine as defined in Section 27-27-12 which delivers, or is 1233 so constructed as that by operation thereof it will deliver to the 1234 operator thereof anything of value in varying quantities, in addition to the merchandise received, and any slot machine other 1235 1236 than an antique coin machine as defined in Section 27-27-12 that 1237 is constructed in such manner as that slugs, tokens, coins or

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H. B. No. 774 24/HR26/R1336.2 PAGE 50 (GT\KW) 1238 similar devices are, or may be, used and delivered to the operator 1239 thereof in addition to merchandise of any sort contained in such machine, is hereby declared to be a gambling device, and shall be 1240 deemed unlawful under the provisions of this section. Provided, 1241 1242 however, that pinball machines which do not return to the operator 1243 or player thereof anything but free additional games or plays shall not be deemed to be gambling devices, and neither this 1244 1245 section nor any other law shall be construed to prohibit same.

1246 No property right shall exist in any person, natural or (2) 1247 artificial, or be vested in such person, in any or all of the 1248 devices described herein that are not exempted from the provisions 1249 of this section; and all such devices are hereby declared to be at 1250 all times subject to confiscation and destruction, and their possession shall be unlawful, except when in the possession of 1251 1252 officers carrying out the provisions of this section. It shall be 1253 the duty of all law enforcing officers to seize and immediately 1254 destroy all such machines and devices.

1255 A first violation of the provisions of this section (3) 1256 shall be deemed a misdemeanor, and the party offending shall, upon 1257 conviction, be fined in any sum not exceeding Five Hundred Dollars 1258 (\$500.00), or imprisoned not exceeding three (3) months, or both, 1259 in the discretion of the court. In the event of a second conviction for a violation of any of the provisions of this 1260 section, the party offending shall be subject to a sentence of not 1261 1262 less than six (6) months in the county jail, nor more than two (2)

H. B. No. 774 **~ OFFICIAL ~** 24/HR26/R1336.2 PAGE 51 (GT\KW) 1263 years in the State Penitentiary, in the discretion of the trial 1264 court.

(4) Notwithstanding any provision of this section to the contrary, it shall not be unlawful to operate any equipment or device described in subsection (1) of this section or any gaming, gambling or similar device or devices by whatever name called while:

1270 On a cruise vessel as defined in Section 27-109-1 (a) 1271 whenever such vessel is in the waters within the State of 1272 Mississippi, which lie adjacent to the State of Mississippi south 1273 of the three (3) most southern counties in the State of 1274 Mississippi, including the Mississippi Sound, St. Louis Bay, Biloxi Bay and Pascagoula Bay, and in which the registered voters 1275 1276 of the county in which the port is located have not voted to 1277 prohibit such betting, gaming or wagering on cruise vessels as 1278 provided in Section 19-3-79;

(b) In a structure located, in whole or in part, on shore in any of the three (3) most southern counties in the State of Mississippi in which the registered voters of the county have voted to allow such betting, gaming or wagering on cruise vessels as provided in Section 19-3-79, if:

(i) The structure is owned, leased or controlled
by a person possessing a gaming license, as defined in Section
75-76-5, to conduct legal gaming on a cruise vessel under
paragraph (a) of this subsection;

H. B. No. 774 **~ OFFICIAL ~** 24/HR26/R1336.2 PAGE 52 (GT\KW) 1288 (ii) The part of the structure in which licensed 1289 gaming activities are conducted is located entirely in an area which is located no more than eight hundred (800) feet from the 1290 mean high-water line (as defined in Section 29-15-1) of the waters 1291 1292 within the State of Mississippi, which lie adjacent to the State 1293 of Mississippi south of the three (3) most southern counties in the State of Mississippi, including the Mississippi Sound, St. 1294 1295 Louis Bay, Biloxi Bay and Pascagoula Bay, or, with regard to 1296 Harrison County only, no farther north than the southern boundary 1297 of the right-of-way for U.S. Highway 90, whichever is greater; and

1298 (iii) In the case of a structure that is located 1299 in whole or part on shore, the part of the structure in which 1300 licensed gaming activities are conducted shall lie adjacent to state waters south of the three (3) most southern counties in the 1301 1302 State of Mississippi, including the Mississippi Sound, St. Louis 1303 Bay, Biloxi Bay and Pascagoula Bay. When the site upon which the 1304 structure is located consists of a parcel of real property, easements and rights-of-way for public streets and highways shall 1305 1306 not be construed to interrupt the contiguous nature of the parcel, 1307 nor shall the footage contained within the easements and 1308 rights-of-way be counted in the calculation of the distances 1309 specified in subparagraph (ii);

(c) On a vessel as defined in Section 27-109-1 whenever such vessel is on the Mississippi River or navigable waters within any county bordering on the Mississippi River, and in which the

H. B. No. 774 **~ OFFICIAL ~** 24/HR26/R1336.2 PAGE 53 (GT\KW) 1313 registered voters of the county in which the port is located have 1314 not voted to prohibit such betting, gaming or wagering on vessels 1315 as provided in Section 19-3-79; or

1316 (d) That is legal under the laws of the State of1317 Mississippi.

1318 (5)Notwithstanding any provision of this section to the contrary, it shall not be unlawful (a) to own, possess, repair or 1319 1320 control any gambling device, machine or equipment in a licensed 1321 gaming establishment or on the business premises appurtenant to 1322 any such licensed gaming establishment during any period of time 1323 in which such licensed gaming establishment is being constructed, 1324 repaired, maintained or operated in this state; (b) to install any 1325 gambling device, machine or equipment in any licensed gaming 1326 establishment; (c) to possess or control any gambling device, 1327 machine or equipment during the process of procuring or 1328 transporting such device, machine or equipment for installation on 1329 any such licensed gaming establishment; or (d) to store in a warehouse or other storage facility any gambling device, machine, 1330 1331 equipment, or part thereof, regardless of whether the county or municipality in which the warehouse or storage facility is located 1332 1333 has approved gaming aboard cruise vessels or vessels, provided 1334 that such device, machine or equipment is operated only in a 1335 county or municipality that has approved gaming aboard cruise 1336 vessels or vessels. Any gambling device, machine or equipment 1337 that is owned, possessed, controlled, installed, procured,

1338 repaired, transported or stored in accordance with this subsection 1339 shall not be subject to confiscation, seizure or destruction, and any person, firm, partnership or corporation which owns, 1340 possesses, controls, installs, procures, repairs, transports or 1341 1342 stores any gambling device, machine or equipment in accordance 1343 with this subsection shall not be subject to any prosecution or penalty under this section. Any person constructing or repairing 1344 such cruise vessels or vessels within a municipality shall comply 1345 1346 with all municipal ordinances protecting the general health or 1347 safety of the residents of the municipality.

1348 **SECTION 25.** This act shall take effect and be in force from 1349 and after July 1, 2024.