MISSISSIPPI LEGISLATURE

By: Representatives Eure, Hulum To: Gaming

COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 1302

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 8 ACCEPT WAGERS FROM PLAYERS LOCATED IN MISSISSIPPI; TO REQUIRE THE 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 20 75-76-205 AND 75-76-175, MISSISSIPPI CODE OF 1972, WHICH REGULATE 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 26 SECTIONS 97-33-25, 75-76-129 AND 75-76-79, MISSISSIPPI CODE OF 27 1972, TO CLARIFY THE PROVISIONS FOR GAMING; TO BRING FORWARD 28 SECTIONS 97-33-1 AND 97-33-7, WHICH RESTRICT CERTAIN TYPES OF WAGERS, FOR PURPOSES OF AMENDMENT; TO BRING FORWARD SECTIONS 29 7-11-11, 29-1-107, 29-15-1, 29-15-3, 29-15-5, 29-15-9, 29-15-10, 30 31 29-15-13 AND 59-7-405, MISSISSIPPI CODE OF 1972, WHICH REGULATE 32 THE AUTHORITY OF THE SECRETARY OF STATE REGARDING TIDELANDS, FOR 33 PURPOSES OF AMENDMENT; TO AMEND SECTIONS 59-15-1, 75-76-67, 34 87-1-5, 97-33-25 AND 97-33-27, MISSISSIPPI CODE OF 1972, WHICH ARE

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35 RELATED TO THE POWERS OF THE GAMING COMMISSION, FOR INTERNAL 36 STATUTORY UPDATES; AND FOR RELATED PURPOSES.

37 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI: 38 <u>SECTION 1.</u> This act shall be known and may be cited as the 39 "Mississippi Mobile Sports Wagering Act".

40 <u>SECTION 2.</u> The following terms shall have the meanings 41 ascribed herein:

42 (a) "Commission" means the Mississippi Gaming43 Commission as defined in Section 75-76-7.

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

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

50 (d) "Gaming license" means any license issued by the 51 state which authorizes the person named therein to engage in 52 gaming as defined in Section 75-76-5.

53 (e) "Gross revenue" means the same as defined in54 Section 75-76-5.

55 (f) "Interactive gaming" means wagering on any 56 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

H. B. No. 1302 ~ OFFICIAL ~ 25/HR26/R2188CS.1 PAGE 2 (GT\KW) 61 games or other such games as approved by the commission for play 62 in a licensed establishment.

(h) "Internet" means the term as defined in Section 230
of Title II of the Communications Act of 1934, Chapter 652, 110
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.

83 (m) "Platform" means a person or entity that operates 84 an online sports pool, online race book, or both on behalf of the 85 holder of a gaming license.

H. B. No. 1302 ~ OFFICIAL ~ 25/HR26/R2188CS.1 PAGE 3 (GT\KW) 86 (n) "Race book" means the business of accepting wagers
87 upon the outcome of any event held at a track which uses the
88 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.

102 SECTION 3. (1) Online sports pools and online race books shall be legal in the State of Mississippi as provided by this 103 104 The provisions of this act shall not be construed to act. 105 authorize or legalize interactive gaming in the State of 106 Mississippi rather all forms of interactive gaming are expressly 107 prohibited and are illegal in the State of Mississippi, punishable pursuant to the provisions of Section 97-33-1 and other applicable 108 109 laws. Further, if any person or platform is found by the commission to have engaged in any form of illegal gaming, 110

H. B. No. 1302 ~ OFFICIAL ~ 25/HR26/R2188CS.1 PAGE 4 (GT\KW) 111 including, but not limited to, any form of interactive gaming, 112 then such person and platform will be subject to action by the 113 Mississippi Gaming Commission in accordance with Section 75-76-67. 114 These restrictions will be applied whether the platform or person 115 is found to have engaged in such illegal activity in Mississippi 116 or in any other jurisdiction.

(a) A platform that operates an online sports pool, 117 (2)118 online race book, or both on behalf of the holder of a gaming 119 license in this state must obtain a manufacturer's and distributor's license from the commission in order to offer such 120 121 services, and such license will be conditioned upon platform 122 abiding by all laws and regulations governing such activities. A 123 platform that already possesses a manufacturer's and distributor's 124 license in the state shall be permitted to operate under the 125 existing license subject to any technical approvals required by 126 the commission to operate an online sports pool, online race book, 127 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, onlinerace book, or both on behalf of the holder of a gaming license in

H. B. No. 1302 ~ OFFICIAL ~ 25/HR26/R2188CS.1 PAGE 5 (gT\KW) 135 this state shall be lawfully conducting business in this state in 136 order to comply with the provisions of this act.

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

141 No platform will be issued a gaming license, rather it shall be required to contract with a licensed casino operator in order 142 143 to conduct online sports pool or online race book activities in Mississippi. The commission shall only issue a gaming license to 144 145 a legal gaming establishment located on a premises in a county 146 where gaming may be conducted in accordance with Mississippi law 147 that is operating a casino in a county that has not prohibited gaming by a referendum vote of registered voters pursuant to 148 Section 19-3-79. Should a gaming license expire, be revoked or be 149 150 suspended, then all such online activities associated with that 151 gaming license will cease until such time that the commission 152 renews the license or issues an order allowing the gaming licensee 153 to recommence its gaming operations.

(5) The contractual terms between a licensed gaming operator
and the licensed platform shall be consistent with Mississippi
law, including, but not limited to, the terms of this Act.

157 (6) The commission shall, from time to time, adopt, amend or 158 repeal such regulations, consistent with the policy, objects and 159 purposes of this chapter, as it may deem necessary or desirable in

H. B. No. 1302 ~ OFFICIAL ~ 25/HR26/R2188CS.1 PAGE 6 (GT\KW) 160 the public interest in carrying out the policy and provisions of 161 this chapter. The commission shall comply with the Mississippi 162 Administrative Procedures Law when adopting, amending or repealing 163 any regulations authorized under this section or under any other 164 provision of this chapter.

165 (7) The Commission shall promulgate rules and regulations 166 that require a licensee to implement responsible sport betting 167 programs. Such rules and regulations shall require a licensee to 168 develop a strategic implementation plan with details as to:

169 (a) The use of player data and technology to aid in170 identifying potential problem gamblers;

(b) The use of automated triggers to identify andmanage accounts or potential problem gamblers; and

(c) The levels of intervention and education provided to identify at-risk players, which shall include at a minimum:

(i) A first phase involving communications
with the individual in order to educate him or her on the
availability of various responsible gaming features and resources
offered by the licensee;

(ii) A second phase that includes a video tutorial displayed to the individual either as one or multiple videos that provides education on the features and resources available; and

H. B. No. 1302 ~ OFFICIAL ~ 25/HR26/R2188CS.1 PAGE 7 (GT\KW) 184 (iii) A third phase, when warranted, that includes 185 access to a list of responsible gaming professionals provided by 186 the licensee to advise the individual on possible corrective 187 actions to address at-risk behavior.

(8) The commission shall establish, via administrative order
or regulation, a universal start date for all licensed online
sports pool platforms and all licensed online race book platforms
to commence accepting online wagers outside of a licensed gaming
premises. This universal start date shall be no later than
December 8, 2025.

194 **SECTION 4.** (1) Each licensed establishment may enter into 195 contracts with no more than two (2) platforms to operate an online 196 sports pool and no more than two (2) online race book platforms to 197 operate online race book. Each platform may, but is not required 198 to, offer both an online sports pool and an online race book. No 199 platform, individually or collectively with any other platform or 200 other party, shall take any action that would restrict or limit a 201 single casino license holder, or a group of casino license 202 holders, from offering online sports pool or online race book 203 services to customers. The commission shall maintain a list of 204 licensed platforms to be made available to licensed casino 205 operators. If a platform receives a request from a licensed 206 casino operator to discuss business terms related to providing 207 online sports pool or online race book services to its customers, then the platform will engage in good-faith discussions with the 208

H. B. No. 1302 ~ OFFICIAL ~ 25/HR26/R2188CS.1 PAGE 8 (gT\KW) 209 licensed casino operator. The platform will be subject to 210 Sections 75-76-157 through 75-76-173 and subject to regulations 211 authorized under this act, as well as the Mississippi Gaming 212 Control Act, which may require a platform to appear before the 213 commission or in a court proceeding to respond to any player 214 dispute or an order to show cause issued by the commission. 215 Notwithstanding any provision of law to the contrary, a platform may, on behalf of its gaming license holder, determine whether to 216 217 accept or reject wagers, determine the results of wagers, and 218 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

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234 geolocating services and pay all costs and responsibilities 235 related to such services required by the commission. Servers, 236 including the use of backup servers, may be located outside of 237 this state, consistent with federal law. To the extent required 238 by federal law, a platform shall maintain in this state the 239 servers it uses to accept wagers on an online sports pool or 240 online race book placed by bettors located in this state. A 241 platform shall comply with all identification verification 242 requirements and will take other commercially reasonable steps to prevent compulsive and problem gaming and to ensure that no person 243 244 who is restricted or who is ineligible to participate in online 245 gaming is able to use the platform to place bets or wagers on 246 events.

(c) A platform shall take commercially reasonable steps
to prevent any person who is self-excluded from entering a gaming
property in Mississippi from opening an online wagering account.
The Mississippi Gaming Commission shall maintain this list of
individuals and provide it to platforms on a regular basis.

(d) A platform, in addition, shall take commercially reasonable steps to ensure that any person who is a player, a coach, umpire, or referee or who is otherwise associated with a collegiate team or a professional team or an athletic event, are prohibited from wagering on sporting events for which they are affiliated. The Mississippi Gaming Commission shall maintain this

258 list of individuals and provide it to platforms on a regular259 basis.

The platform should further alert customers that violating this restriction or aiding any person who is a minor, a self-excluded person or any other person who is otherwise restricted from wagering online to circumvent such restrictions (either intentionally or in failing to use reasonable steps to properly secure a device), shall be disqualified from participating in any form or online gaming thereafter.

(e) 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.

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

(3) Subject to the regulations of the commission, a platformshall 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.

H. B. No. 1302 **~ OFFICIAL ~** 25/HR26/R2188CS.1 PAGE 11 (GT\KW) (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 as well as any restricted person wagering on an event in which they are participating or otherwise affiliated.

287 (d) Suspicious or illegal wagering activities, 288 including the use of funds derived from illegal activity, wagers 289 to conceal or launder funds derived from illegal activity, use of 290 agents to place wagers, or use of false identification. In such a 291 case where information reported from paragraphs (a) through (d), 292 the platform shall work together with the licensed casino operator 293 and the commission to investigate such matters and to ensure that 294 the accounts affected by or associated with such circumstances are 295 suspended at least until such time that the commission is able to 296 fully investigate the matters and determine the appropriate 297 enforcement action.

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

301 <u>SECTION 5.</u> Gross revenue from a platform operating an online 302 race book or an online sports pool on behalf of the holder of a 303 gaming license shall be subject to the license fees and credits 304 under Sections 75-76-177, 75-76-179, 75-76-181 and 75-76-185.

305 <u>SECTION 6.</u> (1) There is hereby created the "Mobile Sports 306 Wagering Tax Fund", which shall consist of taxes and fees

H. B. No. 1302 ~ OFFICIAL ~ 25/HR26/R2188CS.1 PAGE 12 (GT\KW) 307 generated and collected under the Mobile Sports Wagering Act. The 308 Department of Revenue shall be custodian of the fund. Any 309 interest and monies earned on such investments shall be credited 310 to the fund. The fund shall be a dedicated fund and shall be 311 distributed as follows:

(i) Until June 30, 2030, the first Six Million 312 (a) 313 Dollars (\$6,000,000.00) deposited to the Mobile Sports Wagering 314 Tax Fund each year shall be transferred into the Retail Sports 315 Wagering Protection Fund, which is created in subsection (2) of this section. At the end of each calendar year, any licensed 316 317 gaming establishment without a platform whose total annual sports 318 wagering revenue is below the total annual retail sports wagering 319 revenue the same licensed gaming establishment without a platform 320 received in 2024 may apply for a portion of the funds in the 321 Retail Sports Wagering Protection Fund. The commission shall 322 allocate funds in the Retail Sports Wagering Protection Fund 323 proportionately among eligible applicants, but in no case shall a 324 licensed gaming establishment without a platform receive more funds than the amount of the difference between its current year 325 326 retail sports wagering revenue and 2024 sports wagering revenue. 327 Any funds remaining in the Retail Sports Wagering Protection Fund 328 after this distribution shall be returned to the Mobile Sports 329 Wagering Tax fund for distribution in compliance with subparagraph 330 (ii).

(ii) Until June 30, 2030, the remainder of funds in the Mobile Sports Wagering Tax Fund shall be paid on or before the last day of each month by the Department of Revenue to the State Treasurer to be deposited in the Emergency Road and Bridge Repair Fund created in Section 65-1-179, Mississippi Code of 1972.

(b) From and after July 1, 2030, all monies which shall consist of taxes and fees generated and collected under the Mobile Sports Wagering Act and deposited to the Mobile Sports Wagering Tax Fund shall be paid on or before the last day of each month by the Department of Revenue to the State Treasurer to be deposited in the Emergency Road and Bridge Repair Fund created in Section 65-1-179, Mississippi Code of 1972.

343 (2) There is hereby created the "Retail Sports Wagering
344 Protection Fund", which shall consist of taxes and fees
345 transferred from the Mobile Sports Wagering Tax Fund as described
346 in subsection (1) of this act.

347 SECTION 7. Section 97-33-17, Mississippi Code of 1972, is 348 amended as follows:

349 97-33-17. (1) All monies exhibited for the purpose of 350 betting or alluring persons to bet at any game, and all monies 351 staked or betted, shall be liable to seizure by any sheriff, 352 constable, or police officer, together with all the appliances 353 used or kept for use in gambling, or by any other person; and all 354 the monies so seized shall be accounted for by the person making 355 the seizure, and all appliances seized shall be destroyed;

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358 On a cruise vessel as defined in Section 27-109-1 (a) 359 whenever such vessel is in the waters within the State of 360 Mississippi, which lie adjacent to the State of Mississippi south 361 of the three (3) most southern counties in the State of 362 Mississippi, including the Mississippi Sound, St. Louis Bay, 363 Biloxi Bay and Pascagoula Bay, and in which the registered voters 364 of the county in which the port is located have not voted to 365 prohibit such betting, gaming or wagering on cruise vessels as provided in Section 19-3-79; 366

(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:

372 (i) The structure is owned, leased or controlled
373 by a person possessing a gaming license, as defined in Section
374 75-76-5, to conduct legal gaming on a cruise vessel under
375 paragraph (a) of this subsection;

(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 within the State of Mississippi, which lie adjacent to the State

H. B. No. 1302 ~ OFFICIAL ~ 25/HR26/R2188CS.1 PAGE 15 (GT\KW) 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, or, with regard to Harrison County only, no farther north than the southern boundary of the right-of-way for U.S. Highway 90, whichever is greater; and

386 (iii) In the case of a structure that is located 387 in whole or part on shore, the part of the structure in which 388 licensed gaming activities are conducted shall lie adjacent to 389 state waters south of the three (3) most southern counties in the 390 State of Mississippi, including the Mississippi Sound, St. Louis 391 Bay, Biloxi Bay and Pascagoula Bay. When the site upon which the 392 structure is located consists of a parcel of real property, 393 easements and rights-of-way for public streets and highways shall 394 not be construed to interrupt the contiguous nature of the parcel, 395 nor shall the footage contained within the easements and 396 rights-of-way be counted in the calculation of the distances 397 specified in subparagraph (ii) * * *;

398 (c) A vessel as defined in Section 27-109-1 whenever 399 such vessel is on the Mississippi River or navigable waters within 400 any county bordering on the Mississippi River, and in which the 401 registered voters of the county in which the port is located have 402 not voted to prohibit such betting, gaming or wagering on vessels 403 as provided in Section 19-3-79; or

404 (d) That is legal under the laws of the State of405 Mississippi.

H. B. No. 1302 ~ OFFICIAL ~ 25/HR26/R2188CS.1 PAGE 16 (GT\KW) 406 (2) Nothing in this section shall apply to any gambling
407 device, machine or equipment that is owned, possessed, controlled,
408 installed, procured, repaired or transported in accordance with
409 subsection (4) of Section 97-33-7.

410 SECTION 8. Section 75-76-5, Mississippi Code of 1972, is 411 amended as follows:

412 75-76-5. As used in this chapter, unless the context413 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.

(c) "Associated equipment" means any equipment or mechanical, electromechanical or electronic contrivance, component or machine used remotely or directly in connection with gaming or with any game, race book or sports pool that would not otherwise be classified as a gaming device, including dice, playing cards, links which connect to progressive slot machines, equipment which

H. B. No. 1302 **~ OFFICIAL ~** 25/HR26/R2188CS.1 PAGE 17 (GT\KW) 431 affects the proper reporting of gross revenue, computerized 432 systems of betting at a race book or sports pool, computerized 433 systems for monitoring slot machines, and devices for weighing or 434 counting money.

(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"441 means the Mississippi Gaming Commission.

442 (f) "Commission member" means a member of the443 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.

451 (i) "Establishment" means any premises wherein or452 whereon any gaming is done.

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

H. B. No. 1302 ~ OFFICIAL ~ 25/HR26/R2188CS.1 PAGE 18 (GT\KW) 455 (k) Except as otherwise provided by law, "game," or 456 "gambling game" means any banking or percentage game played with 457 cards, with dice or with any mechanical, electromechanical or 458 electronic device or machine for money, property, checks, credit 459 or any representative of value, including, without limiting, the 460 generality of the foregoing, faro, monte, roulette, keno, fan tan, 461 twenty one, blackjack, seven and a half, big injun, klondike, 462 craps, poker, chuck a luck (dai shu), wheel of fortune, chemin de 463 fer, baccarat, pai gow, beat the banker, panguingui, slot machine, or any other game or device approved by the commission. 464 However, "game" or "gambling game" shall not include bingo games or raffles 465 466 which are held pursuant to the provisions of Section 97-33-51, or 467 the illegal gambling activities described in Section 97-33-8.

The commission shall not be required to recognize any game hereunder with respect to which the commission determines it does 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.

(m) "Gaming device" means any mechanical,
electromechanical or electronic contrivance, component or machine
used in connection with gaming or any game which affects the
result of a wager by determining win or loss. The term includes a
system for processing information which can alter the normal
criteria of random selection, which affects the operation of any

H. B. No. 1302 ~ OFFICIAL ~ 25/HR26/R2188CS.1 PAGE 19 (GT\KW) 480 game, or which determines the outcome of a game. The term does 481 not include a system or device which affects a game solely by 482 stopping its operation so that the outcome remains undetermined, 483 and does not include any antique coin machine as defined in 484 Section 27-27-12.

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

488 (i) Boxmen;

489 (ii) Cashiers;

490 (iii) Change personnel;

491 (iv) Counting room personnel;

492 (v) Dealers;

493 (vi) Floormen;

494 (vii) Hosts or other persons empowered to extend 495 credit or complimentary services; 496 (viii) Keno runners;

497	(ix)	Keno	writers;

498 (x) Machine mechanics;

499 (xi) Security personnel;

500 (xii) Shift or pit bosses;

501 (xiii) Shills;

502 (xiv) Supervisors or managers; and

503 (xv) Ticket writers.

H. B. No. 1302 **~ OFFICIAL ~** 25/HR26/R2188CS.1 PAGE 20 (GT\KW) The term "gaming employee" also includes employees of manufacturers or distributors of gaming equipment within this state whose duties are directly involved with the manufacture, repair or distribution of gaming equipment.

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

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

519

(i) Cash received as winnings;

520 (ii) Cash received in payment for credit extended521 by a licensee to a patron for purposes of gaming; and

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

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

527 The term does not include:

528 (i) Counterfeit money or tokens;

H. B. No. 1302 ~ OFFICIAL ~ 25/HR26/R2188CS.1 PAGE 21 (GT\KW) 529 (ii) Coins of other countries which are received 530 in gaming devices;

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

(iv) Cash received as entry fees for contests ortournaments in which the patrons compete for prizes.

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

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

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

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

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

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

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

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

555

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

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

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

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

568 (cc) "Race book" means the business of accepting wagers 569 upon the outcome of any event held at a track which uses the 570 pari-mutuel system of wagering <u>and includes "online race book" as</u> 571 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:

H. B. No. 1302 25/HR26/R2188CS.1 PAGE 23 (GT\KW) 578 (i) A statement concerning only the internal 579 management of the commission and not affecting the rights or procedures available to any licensee or other person; 580 581 (ii) A declaratory ruling; 582 (iii) An interagency memorandum; 583 (iv) The commission's decision in a contested case 584 or relating to an application for a license; or 585 (v) Any notice concerning the fees to be charged 586 which are necessary for the administration of this chapter. 587 "Respondent" means any licensee or other person (ee) 588 against whom a complaint has been filed with the commission. 589 "Slot machine" means any mechanical, electrical or (ff) other device, contrivance or machine which, upon insertion of a 590 591 coin, token or similar object, or upon payment of any 592 consideration, is available to play or operate, the play or 593 operation of which, whether by reason of the skill of the operator 594 or application of the element of chance, or both, may deliver or entitle the person playing or operating the machine to receive 595 596 cash, premiums, merchandise, tokens or anything of value, whether 597 the payoff is made automatically from the machine or in any other 598 manner. The term does not include any antique coin machine as 599 defined in Section 27-27-12.

(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

H. B. No. 1302 ~ OFFICIAL ~ 25/HR26/R2188CS.1 PAGE 24 (GT\KW) 603 known as the "pari-mutuel method of wagering * * *, and includes 604 "online sports pool" as defined by this act.

605 (hh) "State Tax Commission" or "department" means the 606 Department of Revenue of the State of Mississippi.

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

610 (jj) "Vessel" or "cruise vessel" shall have the 611 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.

621 (mm) "Cheat" means to alter the selection of criteria 622 that determine:

623

(i) The rules of a game; or

(ii) The amount or frequency of payment in a game.
(nn) "Promotional activity" means an activity or event
conducted or held for the purpose of promoting or marketing the
individual licensed gaming establishment that is engaging in the

H. B. No. 1302 ~ OFFICIAL ~ 25/HR26/R2188CS.1 PAGE 25 (GT\KW) 628 promotional activity. The term includes, but is not limited to, a 629 game of any kind other than as defined in paragraph (k) of this 630 section, a tournament, a contest, a drawing, or a promotion of any 631 kind.

632 SECTION 9. Section 75-76-33, Mississippi Code of 1972, is 633 amended as follows:

75-76-33. (1) 634 The commission shall, from time to time, 635 adopt, amend or repeal such regulations, consistent with the 636 policy, objects and purposes of this chapter, as it may deem necessary or desirable in the public interest in carrying out the 637 638 policy and provisions of this chapter. The commission shall 639 comply with the Mississippi Administrative Procedures Law when 640 adopting, amending or repealing any regulations authorized under 641 this section or under any other provision of this chapter.

642 (2) These regulations shall, without limiting the general643 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.

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

H. B. No. 1302 ~ OFFICIAL ~ 25/HR26/R2188CS.1 PAGE 26 (GT\KW) 653 (c) Prescribing the information to be furnished by a654 licensee relating to his employees.

(d) Requiring fingerprinting of an applicant or
licensee, and gaming employees of a licensee, or other methods of
identification and the forwarding of all fingerprints taken
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.

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

667 (q) Prescribing the amounts of investigative fees only 668 as authorized by regulations of the commission under paragraph (f) 669 of this subsection, and collecting those fees. The commission 670 shall adopt regulations setting the amounts of those fees at 671 levels that will provide the commission with sufficient revenue, 672 when combined with any other monies as may be deposited into the 673 Mississippi Gaming Commission Fund created in Section 75-76-325, 674 to carry out the provisions of this chapter without any state 675 general funds. In calculating the amount of such fees, the 676 commission shall:

H. B. No. 1302 *** OFFICIAL *** 25/HR26/R2188CS.1 PAGE 27 (GT\KW) (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

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

(h) Prescribing the manner and method of collection andpayment of fees and issuance of licenses.

687 (i) Prescribing under what conditions a licensee may be688 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.

(m) Governing the use and approval of gambling devicesand equipment.

H. B. No. 1302 *** OFFICIAL ~** 25/HR26/R2188CS.1 PAGE 28 (GT\KW) (n) Prescribing the qualifications of, and the conditions under which, attorneys, accountants and others are permitted to practice before the commission.

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

(p) Prescribing the manner and procedure by which the executive director on behalf of the commission shall notify a county or a municipality wherein an applicant for a license 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>,</u> except through an online sports pool or online race book, or as

720 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.

H. B. No. 1302 ~ OFFICIAL ~ 25/HR26/R2188CS.1 PAGE 29 (GT\KW) (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.

729 **SECTION 10.** Section 75-76-89, Mississippi Code of 1972, is 730 amended as follows:

731 75-76-89. (1) Except as otherwise provided in subsection 732 (* * *2) of this section, all licenses issued to the same person, 733 including a wholly owned subsidiary of that person, for the 734 operation of any game, including a sports pool or race book, 735 whether online or in person, which authorize gaming at the same 736 establishment must be merged into a single gaming license. A 737 gaming license may not be issued to any person if the issuance 738 would result in more than one (1) licensed operation at a single 739 establishment, unless authorized by this act whether or not the 740 profits or revenue from gaming are shared between the licensed 741 operations. This shall in no way be interpreted to mean that a 742 platform is the holder of a gaming license.

(2) A person who has been issued 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 only after obtaining permission from the executive director <u>which</u> <u>permission shall be subject to approval of the terms of any</u> contracts to ensure compliance with state gaming laws entered by

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749 the gaming licensee with a licensed platform and any other such 750 third parties providing related services.

751 SECTION 11. Section 75-76-91, Mississippi Code of 1972, is 752 amended as follows:

753 75-76-91. (1) All licenses issued under the provisions of 754 this chapter must be posted by the licensee and kept posted at all 755 times in a conspicuous place in the establishment for which issued 756 until replaced by a succeeding license. <u>The gaming licensee shall</u> 757 <u>also conspicuously post the license for the platform used in its</u> 758 establishment.

759 (2) All licenses may be inspected by authorized state,760 county and municipal officials.

761 SECTION 12. Section 75-76-129, Mississippi Code of 1972, is 762 amended as follows:

763 [Through June 30, 2028, this section shall read as follows:] 764 75-76-129. (1) On or before the last day of each month all 765 taxes, fees, interest, penalties, damages, fines or other monies 766 collected by the Department of Revenue during that month under the 767 provisions of this chapter, with the exception of (a) the local 768 government fees imposed under Section 75-76-195, and (b) an amount 769 equal to Three Million Dollars (\$3,000,000.00) of the revenue 770 collected pursuant to the fee imposed under Section 771 75-76-177(1)(c), * * * (c) the revenue collected pursuant to the 772 fee imposed under Section 75-76-177(1)(c) as a result of wagers on sporting events and (d) the revenue collected pursuant to the 773

H. B. No. 1302 ~ OFFICIAL ~ 25/HR26/R2188CS.1 PAGE 31 (GT\KW) Mobile Sports Wagering Act from online sports pools and online
racebooks shall be paid by the Department of Revenue to the State
Treasurer to be deposited in the State General Fund. The local
government fees shall be distributed by the Department of Revenue
pursuant to Section 75-76-197.

(2) An amount equal to Three Million Dollars (\$3,000,000.00) of the revenue collected during that month pursuant to the fee imposed under Section 75-76-177(1)(c) shall be deposited by the Department of Revenue into the bond sinking fund created in Section 1(3) of Chapter 479, Laws of 2015.

784 (3) Revenue collected pursuant to the fee imposed under 785 Section 75-76-177(1)(c) as a result of wagers on sporting events 786 shall be deposited into the State Highway Fund to be used solely 787 for the repair and maintenance of highways and bridges of the 788 State of Mississippi. This revenue shall be used first for 789 matching funds made available to the state for such purposes 790 pursuant to any federal highway infrastructure program implemented 791 after September 1, 2018.

792 (4) Revenue collected pursuant to the fee imposed pursuant
793 to Section 75-76-177(c) as a result of wagers on online sports
794 pools and online race books shall be deposited into the "Mobile
795 Sports Wagering Tax Fund" as provided in Section 6 of this act.
796 [From and after July 1, 2028, this section shall read as
797 follows:]

H. B. No. 1302 ~ OFFICIAL ~ 25/HR26/R2188CS.1 PAGE 32 (GT\KW) 798 75-76-129. (1) On or before the last day of each month all 799 taxes, fees, interest, penalties, damages, fines or other monies 800 collected by the Department of Revenue during that month under the 801 provisions of this chapter, with the exception of (a) the local government fees imposed under Section 75-76-195, * * * (b) an 802 803 amount equal to Three Million Dollars (\$3,000,000.00) of the 804 revenue collected pursuant to the fee imposed under Section 805 75-76-177(1)(c), and (c) the revenue collected pursuant to the 806 Mobile Sports Wagering Act from online sports pools and online 807 racebooks shall be paid by the Department of Revenue to the State 808 Treasurer to be deposited in the State General Fund. The local 809 government fees shall be distributed by the Department of Revenue 810 pursuant to Section 75-76-197. An amount equal to Three Million 811 Dollars (\$3,000,000.00) of the revenue collected during that month 812 pursuant to the fee imposed under Section 75-76-177(1)(c) shall be 813 deposited by the Department of Revenue into the bond sinking fund 814 created in Section 1(3) of Chapter 479, Laws of 2015. 815 (2) Revenue collected pursuant to the fee imposed

816 <u>pursuant to Section 75-76-177(c) as a result of wagers on online</u> 817 <u>sports pools and online race books shall be deposited into the</u> 818 <u>"Mobile Sports Wagering Tax Fund" as provided in Section 6 of this</u> 819 <u>act.</u>

820 **SECTION 13.** Section 75-76-203, Mississippi Code of 1972, is 821 amended as follows:

H. B. No. 1302 ~ OFFICIAL ~ 25/HR26/R2188CS.1 PAGE 33 (GT\KW) 822 75-76-203. In order to be eligible to receive a state gaming823 license, a corporation shall:

824

(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;

836 (c) Comply with all of the requirements of the laws of837 the State of Mississippi pertaining to corporations; and

838 (d) Maintain a ledger in the principal office of the839 corporation in Mississippi, which shall:

840 (i) At all times reflect the ownership of every841 class of security issued by the corporation; and

(ii) Be available for inspection by the commission or the executive director or his employees at all reasonable times without notice.

845 **SECTION 14.** Section 75-76-205, Mississippi Code of 1972, is 846 brought forward as follows:

H. B. No. 1302 ~ OFFICIAL ~ 25/HR26/R2188CS.1 PAGE 34 (GT\KW) 847 75-76-205. No domestic corporation is eligible to receive a 848 gaming license unless it is in good standing in this state. No 849 foreign corporation is eligible to receive a gaming license unless 850 it qualifies to do business in this state.

851 SECTION 15. Section 75-76-211, Mississippi Code of 1972, is 852 brought forward as follows:

853 75-76-211. All officers and directors of the corporation 854 which holds or applies for a state gaming license must be licensed 855 individually, according to the provisions of this chapter; and if, 856 in the judgment of the commission, the public interest will be 857 served by requiring any or all of the corporation's individual 858 stockholders, lenders, holders of evidences of indebtedness, 859 underwriters, key executives, agents or employees to be licensed, 860 the corporation shall require such persons to apply for a license 861 in accordance with the laws and requirements in effect at the time 862 the commission requires such licensing. A person who is required 863 to be licensed by this section shall apply for a license within 864 thirty (30) days after he becomes an officer or director. A 865 person who is required to be licensed pursuant to a decision of 866 the commission shall apply for a license within thirty (30) days 867 after the executive director requests him to do so.

868 **SECTION 16.** Section 75-76-55, Mississippi Code of 1972, is 869 brought forward as follows:

870 75-76-55. (1) Except as otherwise provided in Section
871 75-76-34, it is unlawful for any person, either as owner, lessee

H. B. No. 1302 ~ OFFICIAL ~ 25/HR26/R2188CS.1 PAGE 35 (GT\KW) 872 or employee, whether for hire or not, either solely or in 873 conjunction with others, without having first procured and 874 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.

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

894 SECTION 17. Section 75-76-79, Mississippi Code of 1972, is 895 amended as follows:

H. B. No. 1302 ~ OFFICIAL ~ 25/HR26/R2188CS.1 PAGE 36 (GT\KW) 896 75-76-79. (1) (a) Except as otherwise provided in 897 paragraphs (b) and (c) of this subsection, it is unlawful for any 898 person, either as owner, lessee or employee, whether for hire or 899 not, to operate, carry on, conduct or maintain any form of 900 manufacture, selling or distribution of any gaming device for use 901 or play in Mississippi or for distribution outside of Mississippi 902 without first procuring and maintaining all required federal and 903 state licenses.

904 (b) A lessor who specifically acquires equipment for a905 capital lease is not required to be licensed under this section.

906 (C) The holder of a state gaming license or the holding 907 company of a corporate licensee may, within two (2) years after cessation of business or upon specific approval by the executive 908 909 director, dispose of by sale in a manner approved by the executive 910 director, any or all of its gaming devices, including slot 911 machines, without a distributor's license. In cases of bankruptcy 912 of a state gaming licensee or foreclosure of a lien by a bank or other person holding a security interest for which gaming devices 913 914 are security, in whole or in part, for the lien, the executive 915 director may authorize the disposition of the gaming devices 916 without requiring a distributor's license.

917 (d) Any person whom the commission determines is a 918 suitable person to receive a license under the provisions of this 919 section may be issued a manufacturer's or distributor's license. 920 The burden of proving his qualification to receive or hold a

H. B. No. 1302 ~ OFFICIAL ~ 25/HR26/R2188CS.1 PAGE 37 (GT\KW) 921 license under this section is at all times on the applicant or 922 licensee.

923 (e) Every person who must be licensed pursuant to this 924 section is subject to the provisions of Sections 75-76-199 through 925 75-76-265, unless exempted from those provisions by the 926 commission.

927 (f) The commission may exempt, for any purpose, a 928 manufacturer, seller or distributor from the provisions of 929 Sections 75-76-199 through 75-76-265, if the commission determines 930 that the exemption is consistent with the purposes of this 931 chapter.

932 (g) As used in this section, "holding company" has the 933 meaning ascribed to it in Section 75-76-199.

934 (2) If the commission determines that a manufacturer or935 distributor is unsuitable to receive or hold a license:

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

939 (b) Any previously approved device or associated 940 equipment manufactured by the manufacturer or distributed by the 941 distributor is subject to revocation of approval if the reasons 942 for the denial of the license also apply to that device or 943 associated equipment;

H. B. No. 1302 ~ OFFICIAL ~ 25/HR26/R2188CS.1 PAGE 38 (gT\KW) 944 (c) No new device or associated equipment manufactured 945 by the manufacturer or distributed by the distributor may be sold, 946 transferred or offered for use or play in Mississippi; and

947 (d) Any association or agreement between the manufacturer or distributor and a licensee must be terminated, 948 949 unless otherwise provided by the commission. An agreement between 950 such a manufacturer or distributor of gaming devices or associated 951 equipment and a licensee shall be deemed to include a provision 952 for its termination without liability on the part of the licensee 953 upon a finding by the commission that the manufacturer is 954 unsuitable to be associated with a gaming enterprise. Failure to 955 include that condition in the agreement is not a defense in any 956 action brought pursuant to this section to terminate the 957 agreement.

958 (3) Failure of a licensee to terminate any association or 959 agreement with a manufacturer or distributor of gaming devices or 960 associated equipment after receiving notice of a determination of 961 unsuitability, the denial of a license or failure to file a timely 962 application for a license, is an unsuitable method of operation.

963 (4) There is hereby imposed and levied on each applicant for 964 a manufacturer's, seller's or distributor's license under this 965 section an annual license fee in the following amount:

966 (a) For the issuance or continuation of a967 manufacturer's license, One Thousand Dollars (\$1,000.00).

H. B. No. 1302 ~ OFFICIAL ~ 25/HR26/R2188CS.1 PAGE 39 (GT\KW) 968 (b) For the issuance or continuation of a seller's or 969 distributor's license, Five Hundred Dollars (\$500.00).

970 This fee is to be paid by the applicant to the *** * *** 971 <u>Department of Revenue</u> on or before the filing of the application 972 for a manufacturer's, seller's or distributor's license by the 973 applicant. Upon such payment the *** * *** <u>Commissioner of Revenue</u> 974 shall certify to the executive director that such fee has been 975 paid by the applicant.

976 Except for those amounts that a person issued a 977 manufacturer's license under this section may charge for goods 978 supplied or services rendered, the person holding the 979 manufacturer's license may not be directly reimbursed by a holder 980 of a gaming license for the cost of any fee paid by the person for 981 the issuance or continuation of such a license, whether imposed 982 under this section or any other provision of this chapter.

983 (5) A manufacturer or distributor of associated equipment 984 who sells, transfers or offers the associated equipment for use or 985 play in Mississippi may be required by the executive director to 986 file an application for a finding of suitability to be a 987 manufacturer or distributor of associated equipment.

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 992 director to file an application for a finding of suitability to be 993 a manufacturer or distributor of associated equipment.

994 If an application for a finding of suitability is not 995 submitted within thirty (30) days after demand by the executive 996 director, he may pursue any remedy or combination of remedies 997 provided in this chapter.

998 (6) The executive director and his employees may inspect999 every gaming device which is manufactured, sold or distributed:

1000 (a) For use in this state, before the gaming device is1001 put into play.

1002 (b) In this state for use outside this state, before 1003 the gaming device is shipped out of this state.

1004 The executive director may inspect every gaming device which 1005 is offered for play within this state by a licensee.

1006 The executive director may inspect all associated equipment 1007 which is manufactured, sold or distributed for use in this state 1008 before the equipment is installed or used by a gaming licensee.

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

H. B. No. 1302 ~ OFFICIAL ~ 25/HR26/R2188CS.1 PAGE 41 (GT\KW) 1016 certification the * * * Department of Revenue shall proceed to 1017 assess and collect such inspection fee from the applicant.

1018 SECTION 18. Section 75-76-101, Mississippi Code of 1972, is 1019 amended as follows:

1020 75-76-101. (1) All gaming must be conducted with chips, 1021 tokens or other instrumentalities approved by the executive 1022 director or with the legal tender of the United States.

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

1030 SECTION 19. Section 75-76-175, Mississippi Code of 1972, is 1031 amended as follows:

1032 75-76-175. (1) A credit instrument accepted on or after 1033 June 29, 1991, is valid and may be enforced by legal process.

1034 (2) A licensee or a person acting on the licensee's behalf 1035 may accept an incomplete credit instrument which:

1036

(a) Is signed by a patron; and

1037 (b) States the amount of the debt in figures.

1038 <u>Such licensee or person acting on the licensee's behalf</u> *** * *** 1039 may complete the instrument as is necessary for the instrument to 1040 be presented for payment.

H. B. No. 1302 ~ OFFICIAL ~ 25/HR26/R2188CS.1 PAGE 42 (GT\KW) 1041 (3) A licensee or person acting on behalf of a licensee: 1042 (a) May accept a credit instrument that is dated later 1043 than the date of its execution if that later date is furnished at 1044 the time of the execution of the credit instrument by the patron.

1045 (b) May not accept a credit instrument which is 1046 incomplete, except as authorized by subsection (2) of this 1047 section.

1048 (c) May accept a credit instrument that is payable to 1049 an affiliated company or may complete a credit instrument in the 1050 name of an affiliated company as payee if the credit instrument 1051 otherwise complies with this subsection and the records of the 1052 affiliated company pertaining to the credit instrument are made 1053 available to the executive director upon request.

1054 (4) This section does not prohibit the establishment of an 1055 account by a deposit of cash, recognized traveler's check, or any 1056 other instruments which is equivalent to cash.

1057 (5) Any person who violates the provisions of this section
1058 is subject only to the penalties provided in Sections 75-76-103
1059 through 75-76-119, inclusive.

1060 (6) The commission may adopt regulations prescribing the 1061 conditions under which a credit instrument may be redeemed or 1062 presented to a bank for collection or payment.

1063 SECTION 20. Section 75-76-177, Mississippi Code of 1972, is 1064 amended as follows:

H. B. No. 1302 ~ OFFICIAL ~ 25/HR26/R2188CS.1 PAGE 43 (GT\KW) 1065 75-76-177. (1) From and after August 1, 1990, there is 1066 hereby imposed and levied on each gaming licensee a license fee 1067 based upon all the gross revenue of the licensee as follows:

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

1071 (b) Six percent (6%) of all the gross revenue of the 1072 licensee which exceeds Fifty Thousand Dollars (\$50,000.00) per 1073 calendar month and does not exceed One Hundred Thirty four 1074 Thousand Dollars (\$134,000.00) per calendar month; and

1075 (c) Eight percent (8%) of all the gross revenue of the 1076 licensee which exceeds One Hundred Thirty four Thousand Dollars 1077 (\$134,000.00) per calendar month.

1078 (2) All revenue received from any game * * *, gaming device 1079 or platform which is leased for operation on the premises of the 1080 licensee owner to a person other than the owner thereof or which 1081 is located in an area or space on such premises which is leased by the licensee owner to any such person, must be attributed to the 1082 1083 owner for the purposes of this section and be counted as part of 1084 the gross revenue of the owner. The lessee is liable to the owner 1085 for his proportionate share of such license fees.

1086 (3) If the amount of license fees required to be reported 1087 and paid pursuant to this section is later determined to be 1088 greater or less than the amount actually reported and paid by the 1089 licensee, the * * Commissioner of Revenue shall:

H. B. No. 1302 **~ OFFICIAL ~** 25/HR26/R2188CS.1 PAGE 44 (GT\KW) 1090 (a) Assess and collect the additional license fees1091 determined to be due, with interest thereon until paid; or

1092 (b) Refund any overpayment, with interest thereon, to 1093 the licensee.

1094 Interest must be computed, until paid, at the rate of one 1095 percent (1%) per month from the first day of the first month 1096 following either the due date of the additional license fees or 1097 the date of overpayment.

1098 (4) Failure to pay the fees provided for in this section 1099 when they are due for continuation of a license shall be deemed a 1100 surrender of the license.

SECTION 21. Section 97-33-305, Mississippi Code of 1972, is brought forward as follows:

1103 97-33-305. (1) Fantasy contests are legal in this state. A 1104 fantasy contest operator must comply with the provisions of this 1105 section if the operator's total player roster for all fantasy 1106 contests consists of one hundred (100) or more members of the 1107 general public.

1108 (2) A fantasy contest operator must implement commercially 1109 reasonable procedures for fantasy contests with an entry fee to:

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

H. B. No. 1302 ~ OFFICIAL ~ 25/HR26/R2188CS.1 PAGE 45 (GT\KW) (b) Prevent sharing with third parties of confidential information that could affect fantasy contest play until the information is made publicly available;

1117 (c) Prevent the operator from participating in a
1118 fantasy contest offered by the operator;

1119 (d) Verify that a fantasy contest player is eighteen
1120 (18) years of age or older except as required in Section
1121 97-33-307(5);

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

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

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

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

H. B. No. 1302 ~ OFFICIAL ~ 25/HR26/R2188CS.1 PAGE 46 (GT\KW) (i) An operator shall not allow a player to submit more than one (1) entry in a contest involving twelve (12) or fewer players.

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

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

1148 (iv) In any contest involving more than one 1149 hundred (100) players, an operator shall not allow a player to 1150 submit more than the lesser of:

11511. Three percent (3%) of all entries; or11522. One hundred fifty (150) entries.1153(v) For all advertised fantasy contests, the1154operator must prominently include information about the maximum1155number of entries that may be submitted for that contest.

(vi) An operator may establish fantasy contests in which there is no restriction on the number of entries, if those contests constitute less than two percent (2%) of the total number of contests it offers, and if the operator clearly discloses: 1. That there are no limits on the number of entries by each player in the contest; and

H. B. No. 1302 ~ OFFICIAL ~ 25/HR26/R2188CS.1 PAGE 47 (GT\KW) 1162 2. That the cost of participating in such a 1163 contest is Fifty Dollars (\$50.00) or more per entry;

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

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

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

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

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

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

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

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

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

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

1202 (7) The values of all prizes and awards offered to winning 1203 players must be established and made known to the players in 1204 advance of the contest.

1205 SECTION 22. Section 97-33-27, Mississippi Code of 1972, is 1206 amended as follows:

1207 97-33-27. If any person shall bet on a horse race or a yacht 1208 race or on a shooting match, he shall be fined not more than Five 1209 Hundred Dollars (\$500.00), and, unless the fine and costs be

1210 immediately paid, he shall be imprisoned in the county jail not 1211 more than ninety (90) days; provided, however, this section shall 1212 not apply to betting, gaming or wagering:

1213 On a cruise vessel as defined in Section 27-109-1 (a) 1214 whenever such vessel is in the waters within the State of 1215 Mississippi, which lie adjacent to the State of Mississippi south of the three (3) most southern counties in the State of 1216 1217 Mississippi, including the Mississippi Sound, St. Louis Bay, 1218 Biloxi Bay and Pascagoula Bay, and in which the registered voters 1219 of the county in which the port is located have not voted to 1220 prohibit such betting, gaming or wagering on cruise vessels as provided in Section 19-3-79; 1221

(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;

(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. 1302 **~ OFFICIAL ~** 25/HR26/R2188CS.1 PAGE 50 (GT\KW) 1235 within the State of Mississippi, which lie adjacent to the State 1236 of Mississippi south of the three (3) most southern counties in 1237 the State of Mississippi, including the Mississippi Sound, St. 1238 Louis Bay, Biloxi Bay and Pascagoula Bay, or, with regard to 1239 Harrison County only, no farther north than the southern boundary 1240 of the right-of-way for U.S. Highway 90, whichever is greater; and

In the case of a structure that is located 1241 (iii) 1242 in whole or part on shore, the part of the structure in which 1243 licensed gaming activities are conducted shall lie adjacent to 1244 state waters south of the three (3) most southern counties in the 1245 State of Mississippi, including the Mississippi Sound, St. Louis Bay, Biloxi Bay and Pascagoula Bay. When the site upon which the 1246 1247 structure is located consists of a parcel of real property, 1248 easements and rights-of-way for public streets and highways shall 1249 not be construed to interrupt the contiguous nature of the parcel, 1250 nor shall the footage contained within the easements and 1251 rights-of-way be counted in the calculation of the distances 1252 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

H. B. No. 1302 **~ OFFICIAL ~** 25/HR26/R2188CS.1 PAGE 51 (GT\KW) 1259 (d) That is legal under the laws of the State of1260 Mississippi.

1261 SECTION 23. Section 97-33-8, Mississippi Code of 1972, is 1262 amended as follows:

1263 97-33-8. (1) The provisions of this section are intended to 1264 clarify that the operation of "Internet sweepstakes cafes" is an 1265 illegal gambling activity under <u>Mississippi</u> state law.

1266 (2) It shall be unlawful for any person or entity to 1267 possess, own, control, display, operate or have a financial 1268 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.

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

1282 (a) "Simulated gambling program" means any method1283 intended to be used by a person playing, participating or

H. B. No. 1302 ~ OFFICIAL ~ 25/HR26/R2188CS.1 PAGE 52 (GT\KW) 1284 interacting with an electronic video monitor that is offered by 1285 another person or entity; that directly or indirectly implements 1286 the predetermination of a cash or cash-equivalent prize, or 1287 otherwise connects the player with the cash or cash-equivalent 1288 prize; and that is not legal under the Mississippi Gaming Control 1289 Act.

1290 "Consideration associated with a product, service (b) 1291 or activity other than the simulated gambling program" means money 1292 or other value collected for a product, service or activity that is offered in any direct or indirect relationship to playing or 1293 1294 participating in the simulated gambling program. The term 1295 includes consideration paid for Internet access or computer time, 1296 or a sweepstakes entry.

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

(4) Any person or entity violating the provisions of this
1301 section, upon conviction, shall be guilty of a misdemeanor and
1302 fined not more than One Thousand Dollars (\$1,000.00) or imprisoned
1303 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. 1302 ~ OFFICIAL ~ 25/HR26/R2188CS.1 PAGE 53 (GT\KW) 1308 used to play an electronic or other game, with the winner of the 1309 game earning tickets that can be exchanged for prizes;

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

1315 (c) Any promotional activity as defined in Section1316 75-76-5 that is conducted by a gaming licensee.

1317 SECTION 24. Section 97-33-25, Mississippi Code of 1972, is 1318 amended as follows:

97-33-25. If any person shall sell or buy, either directly or indirectly, any chance in what is commonly called pool, upon any event whatever, or shall in any manner engage in such business or pastime, he shall be fined not more than Five Hundred Dollars (\$500.00) or shall be imprisoned in the county jail not more than ninety (90) days; provided, however, this section shall not apply 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. 1302 ~ OFFICIAL ~ 25/HR26/R2188CS.1 PAGE 54 (GT\KW) 1333 prohibit such betting, gaming or wagering on cruise vessels as 1334 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;

1344 (ii) The part of the structure in which licensed 1345 gaming activities are conducted is located entirely in an area which is located no more than eight hundred (800) feet from the 1346 1347 mean high-water line (as defined in Section 29-15-1) of the waters 1348 within the State of Mississippi, which lie adjacent to the State 1349 of Mississippi south of the three (3) most southern counties in the State of Mississippi, including the Mississippi Sound, St. 1350 1351 Louis Bay, Biloxi Bay and Pascagoula Bay, or, with regard to 1352 Harrison County only, no farther north than the southern boundary 1353 of the right-of-way for U.S. Highway 90, whichever is greater; and 1354 In the case of a structure that is located (iii) 1355 in whole or part on shore, the part of the structure in which

1356 licensed gaming activities are conducted shall lie adjacent to 1357 state waters south of the three (3) most southern counties in the

H. B. No. 1302 ~ OFFICIAL ~ 25/HR26/R2188CS.1 PAGE 55 (GT\KW) 1358 State of Mississippi, including the Mississippi Sound, St. Louis 1359 Bay, Biloxi Bay and Pascagoula Bay. When the site upon which the structure is located consists of a parcel of real property, 1360 1361 easements and rights-of-way for public streets and highways shall 1362 not be construed to interrupt the contiguous nature of the parcel, 1363 nor shall the footage contained within the easements and rights-of-way be counted in the calculation of the distances 1364 1365 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

1372 (d) That is legal under the laws of the State of1373 Mississippi.

1374 SECTION 25. Section 97-33-1, Mississippi Code of 1972, is 1375 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. 1302 **~ OFFICIAL ~** 25/HR26/R2188CS.1 PAGE 56 (gT\KW) or upon the result of any election, event or contingency whatever, upon conviction thereof, he shall be fined in a sum not more than Five Hundred Dollars (\$500.00); and, unless such fine and costs be immediately paid, shall be imprisoned for any period not more than ninety (90) days. However, this section shall not apply to betting, gaming or wagering:

1389 On a cruise vessel as defined in Section 27-109-1 (a) 1390 whenever such vessel is in the waters within the State of 1391 Mississippi, which lie adjacent to the State of Mississippi south of the three (3) most southern counties in the State of 1392 1393 Mississippi, including the Mississippi Sound, St. Louis Bay, 1394 Biloxi Bay and Pascagoula Bay, and in which the registered voters 1395 of the county in which the port is located have not voted to prohibit such betting, gaming or wagering on cruise vessels as 1396 provided in Section 19-3-79; 1397

(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;

1407 (ii) The part of the structure in which licensed 1408 gaming activities are conducted is located entirely in an area which is located no more than eight hundred (800) feet from the 1409 mean high-water line (as defined in Section 29-15-1) of the waters 1410 1411 within the State of Mississippi, which lie adjacent to the State 1412 of Mississippi south of the three (3) most southern counties in the State of Mississippi, including the Mississippi Sound, St. 1413 1414 Louis Bay, Biloxi Bay and Pascagoula Bay, or, with regard to 1415 Harrison County only, no farther north than the southern boundary 1416 of the right-of-way for U.S. Highway 90, whichever is greater; and

1417 (iii) In the case of a structure that is located 1418 in whole or part on shore, the part of the structure in which 1419 licensed gaming activities are conducted shall lie adjacent to state waters south of the three (3) most southern counties in the 1420 1421 State of Mississippi, including the Mississippi Sound, St. Louis 1422 Bay, Biloxi Bay and Pascagoula Bay. When the site upon which the 1423 structure is located consists of a parcel of real property, easements and rights-of-way for public streets and highways shall 1424 1425 not be construed to interrupt the contiguous nature of the parcel, 1426 nor shall the footage contained within the easements and 1427 rights-of-way be counted in the calculation of the distances 1428 specified in subparagraph (ii);

1429 (c) On a vessel as defined in Section 27-109-1 whenever 1430 such vessel is on the Mississippi River or navigable waters within 1431 any county bordering on the Mississippi River, and in which the

H. B. No. 1302 ~ OFFICIAL ~ 25/HR26/R2188CS.1 PAGE 58 (GT\KW) 1432 registered voters of the county in which the port is located have 1433 not voted to prohibit such betting, gaming or wagering on vessels 1434 as provided in Section 19-3-79; or

1435 (d) That is legal under the laws of the State of1436 Mississippi.

1437 SECTION 26. Section 97-33-7, Mississippi Code of 1972, is 1438 brought forward as follows:

1439 97-33-7. (1) Except as otherwise provided in Section 1440 97-33-8, it shall be unlawful for any person or persons, firm, 1441 copartnership or corporation to have in possession, own, control, 1442 display, or operate any cane rack, knife rack, artful dodger, punch board, roll down, merchandise wheel, slot machine, pinball 1443 1444 machine, or similar device or devices. Provided, however, that this section shall not be so construed as to make unlawful the 1445 ownership, possession, control, display or operation of any 1446 1447 antique coin machine as defined in Section 27-27-12, or any music 1448 machine or bona fide automatic vending machine where the purchaser receives exactly the same quantity of merchandise on each 1449 1450 operation of said machine. Any slot machine other than an antique 1451 coin machine as defined in Section 27-27-12 which delivers, or is 1452 so constructed as that by operation thereof it will deliver to the 1453 operator thereof anything of value in varying quantities, in addition to the merchandise received, and any slot machine other 1454 1455 than an antique coin machine as defined in Section 27-27-12 that 1456 is constructed in such manner as that slugs, tokens, coins or

H. B. No. 1302 ~ OFFICIAL ~ 25/HR26/R2188CS.1 PAGE 59 (GT\KW) 1457 similar devices are, or may be, used and delivered to the operator 1458 thereof in addition to merchandise of any sort contained in such machine, is hereby declared to be a gambling device, and shall be 1459 deemed unlawful under the provisions of this section. Provided, 1460 1461 however, that pinball machines which do not return to the operator 1462 or player thereof anything but free additional games or plays 1463 shall not be deemed to be gambling devices, and neither this 1464 section nor any other law shall be construed to prohibit same.

1465 No property right shall exist in any person, natural or (2) 1466 artificial, or be vested in such person, in any or all of the 1467 devices described herein that are not exempted from the provisions 1468 of this section; and all such devices are hereby declared to be at 1469 all times subject to confiscation and destruction, and their possession shall be unlawful, except when in the possession of 1470 1471 officers carrying out the provisions of this section. It shall be 1472 the duty of all law enforcing officers to seize and immediately 1473 destroy all such machines and devices.

1474 A first violation of the provisions of this section (3) 1475 shall be deemed a misdemeanor, and the party offending shall, upon 1476 conviction, be fined in any sum not exceeding Five Hundred Dollars 1477 (\$500.00), or imprisoned not exceeding three (3) months, or both, 1478 in the discretion of the court. In the event of a second conviction for a violation of any of the provisions of this 1479 section, the party offending shall be subject to a sentence of not 1480 1481 less than six (6) months in the county jail, nor more than two (2)

H. B. No. 1302 ~ OFFICIAL ~ 25/HR26/R2188CS.1 PAGE 60 (GT\KW) 1482 years in the State Penitentiary, in the discretion of the trial 1483 court.

1484 (4) Notwithstanding any provision of this section to the 1485 contrary, it shall not be unlawful to operate any equipment or 1486 device described in subsection (1) of this section or any gaming, 1487 gambling or similar device or devices by whatever name called 1488 while:

1489 On a cruise vessel as defined in Section 27-109-1 (a) 1490 whenever such vessel is in the waters within the State of 1491 Mississippi, which lie adjacent to the State of Mississippi south 1492 of the three (3) most southern counties in the State of 1493 Mississippi, including the Mississippi Sound, St. Louis Bay, Biloxi Bay and Pascagoula Bay, and in which the registered voters 1494 of the county in which the port is located have not voted to 1495 prohibit such betting, gaming or wagering on cruise vessels as 1496 1497 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. 1302 ~ OFFICIAL ~ 25/HR26/R2188CS.1 PAGE 61 (GT\KW) 1507 (ii) The part of the structure in which licensed 1508 gaming activities are conducted is located entirely in an area which is located no more than eight hundred (800) feet from the 1509 mean high-water line (as defined in Section 29-15-1) of the waters 1510 1511 within the State of Mississippi, which lie adjacent to the State 1512 of Mississippi south of the three (3) most southern counties in the State of Mississippi, including the Mississippi Sound, St. 1513 1514 Louis Bay, Biloxi Bay and Pascagoula Bay, or, with regard to 1515 Harrison County only, no farther north than the southern boundary 1516 of the right-of-way for U.S. Highway 90, whichever is greater; and

1517 (iii) In the case of a structure that is located 1518 in whole or part on shore, the part of the structure in which 1519 licensed gaming activities are conducted shall lie adjacent to state waters south of the three (3) most southern counties in the 1520 1521 State of Mississippi, including the Mississippi Sound, St. Louis 1522 Bay, Biloxi Bay and Pascagoula Bay. When the site upon which the 1523 structure is located consists of a parcel of real property, easements and rights-of-way for public streets and highways shall 1524 1525 not be construed to interrupt the contiguous nature of the parcel, 1526 nor shall the footage contained within the easements and 1527 rights-of-way be counted in the calculation of the distances 1528 specified in subparagraph (ii);

1529 (c) On a vessel as defined in Section 27-109-1 whenever 1530 such vessel is on the Mississippi River or navigable waters within 1531 any county bordering on the Mississippi River, and in which the

H. B. No. 1302 ~ OFFICIAL ~ 25/HR26/R2188CS.1 PAGE 62 (GT\KW) 1532 registered voters of the county in which the port is located have 1533 not voted to prohibit such betting, gaming or wagering on vessels 1534 as provided in Section 19-3-79; or

1535 (d) That is legal under the laws of the State of 1536 Mississippi.

1537 (5)Notwithstanding any provision of this section to the contrary, it shall not be unlawful (a) to own, possess, repair or 1538 1539 control any gambling device, machine or equipment in a licensed 1540 gaming establishment or on the business premises appurtenant to 1541 any such licensed gaming establishment during any period of time 1542 in which such licensed gaming establishment is being constructed, 1543 repaired, maintained or operated in this state; (b) to install any 1544 gambling device, machine or equipment in any licensed gaming establishment; (c) to possess or control any gambling device, 1545 1546 machine or equipment during the process of procuring or 1547 transporting such device, machine or equipment for installation on 1548 any such licensed gaming establishment; or (d) to store in a warehouse or other storage facility any gambling device, machine, 1549 1550 equipment, or part thereof, regardless of whether the county or 1551 municipality in which the warehouse or storage facility is located 1552 has approved gaming aboard cruise vessels or vessels, provided 1553 that such device, machine or equipment is operated only in a 1554 county or municipality that has approved gaming aboard cruise 1555 vessels or vessels. Any gambling device, machine or equipment that is owned, possessed, controlled, installed, procured, 1556

H. B. No. 1302 ~ OFFICIAL ~ 25/HR26/R2188CS.1 PAGE 63 (GT\KW) 1557 repaired, transported or stored in accordance with this subsection 1558 shall not be subject to confiscation, seizure or destruction, and 1559 any person, firm, partnership or corporation which owns, 1560 possesses, controls, installs, procures, repairs, transports or 1561 stores any gambling device, machine or equipment in accordance 1562 with this subsection shall not be subject to any prosecution or penalty under this section. Any person constructing or repairing 1563 1564 such cruise vessels or vessels within a municipality shall comply 1565 with all municipal ordinances protecting the general health or 1566 safety of the residents of the municipality.

1567 SECTION 27. Section 7-11-11, Mississippi Code of 1972, is 1568 brought forward as follows:

1569 7-11-11. The Secretary of State shall have charge of the swamp and the overflowed lands and indemnity lands in lieu 1570 1571 thereof, the internal improvement lands, the lands forfeited to 1572 the state for nonpayment of taxes after the time allowed by law 1573 for redemption shall have expired, and of all other public lands belonging to or under the control of the state. The regulation, 1574 1575 sale and disposition of all such lands shall be made through the 1576 Secretary of State's office.

1577 The Secretary of State shall sign all conveyances and leases 1578 of any and all state-owned lands and shall record same in a book 1579 kept in his office for such purposes.

1580 SECTION 28. Section 29-1-107, Mississippi Code of 1972, is 1581 brought forward as follows:

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29-1-107. 1582 (1) The Secretary of State with the approval of 1583 the Governor shall, as far as practicable, rent or lease all lands belonging to the state, except as otherwise provided by law for a 1584 period of not exceeding one (1) year, and account for the rents 1585 1586 therefrom in the same manner as money received from the sale of 1587 state lands, provided that no state land shall be rented or leased to individuals, corporations, partnerships, or association of 1588 1589 persons for hunting or fishing purposes. Property belonging to 1590 the state in municipalities, even though it may have been 1591 subdivided into lots, blocks, divisions, or otherwise escheated or 1592 was sold to the state by such description, may likewise be leased 1593 or rented by the Secretary of State under the terms provided above 1594 for other state lands, and the rents accounted for in the same The state shall have all the liens, rights and remedies 1595 manner. 1596 accorded to landlords in Sections 89-7-1 through 89-7-125; said 1597 leases and rental contracts shall automatically terminate on the 1598 date provided in said leases or contracts.

The Secretary of State, with the approval of the 1599 (2)(a) 1600 Governor, may rent or lease surface lands, tidelands or submerged 1601 lands owned or controlled by the State of Mississippi lying in or 1602 adjacent to the Mississippi Sound or Gulf of Mexico or streams 1603 emptying therein, for a period not exceeding forty (40) years for rental payable to the state annually. However, the term of any 1604 lease of state public trust tidelands to a person possessing a 1605

1606 license under the Mississippi Gaming Control Act shall be governed 1607 by the provisions of subsection (4) of this section.

(b) The lessee under such agreement may construct such necessary items for marking channels, docking, wharfing, mooring or fleeting vessels which shall be in aid of navigation and not obstructions thereto.

1612 A lessee of record may be given the option to renew (C) 1613 for an additional period not to exceed twenty-five (25) years; 1614 however, the term of a renewal for a lease of state public trust 1615 tidelands to a person possessing a gaming license under the 1616 Mississippi Gaming Control Act shall be governed by the provisions of subsection (4) of this section. The holder of a lease of 1617 1618 Public Trust Tidelands, at the expiration thereof, shall have a prior right, exclusive of all other persons, to re-lease as may be 1619 1620 agreed upon between the holder of the lease and the Secretary of 1621 State.

1622 Leases shall provide for review and rent (d) adjustments at each fifth anniversary tied either to the All Urban 1623 Consumer Price Index-All Items (CPI) or to an appraisal which 1624 1625 deducts the value of any improvements by the lessee which 1626 substantially enhance the value of the land. In the case where 1627 the initial rental was based on the value set by the ad valorem 1628 tax rolls, then the rent review and adjustment clause shall be 1629 likewise based on the value set by such tax rolls. In the event 1630 that the lessor and lessee cannot agree on a rental amount, the

H. B. No. 1302 **~ OFFICIAL ~** 25/HR26/R2188CS.1 PAGE 66 (GT\KW) 1631 lease may be cancelled at the option of the lessor. The lessee 1632 shall, within thirty (30) days after execution of a sublease or assignment, file a copy thereof, including the total consideration 1633 1634 therefor, with the Secretary of State. This paragraph shall not 1635 apply to a lease of state public trust tidelands or submerged 1636 lands to a person possessing a gaming license under the 1637 Mississippi Gaming Control Act who operates a gaming establishment 1638 on such tidelands.

1639 Provided, however, the current occupants of public trust (3) 1640 tidelands that were developed after the determinable mean 1641 high-water line nearest the effective date of the Coastal Wetlands 1642 Protection Law shall pay an annual rental based on the fair market 1643 value as determined by the assessed valuation of the property. The holder of a lease of Public Trust Tidelands, at the expiration 1644 1645 thereof, shall have a prior right, exclusive of all other persons, 1646 to re-lease as may be agreed upon between the holder of the lease 1647 and the Secretary of State.

(4) (a) This section shall apply to any person possessing a
license under the Mississippi Gaming Control Act who operates a
gaming establishment in any of the three (3) most southern
counties of the state.

1652 (b) The following shall apply to all leases of state1653 public trust tidelands executed by such a licensee:

1654 (i) Every lease executed after August 29, 2005,
1655 shall be for a period of thirty (30) years for rental payable to
1656 the state annually.

1657 (ii) By operation of this section, any lease 1658 executed before August 29, 2005, may, at the option of the lessee, 1659 either remain at the term stated in the original execution of the 1660 lease or be converted to a thirty-year term lease, beginning on such date after August 29, 2005, that the lessee either resumes or 1661 1662 begins permanent gaming activities as approved by the Mississippi Gaming Commission, and the lessee shall be required to comply with 1663 1664 all other provisions of the lease. Should the lessee choose to 1665 operate in a structure that is not on state public trust tidelands 1666 and that is on property contiguous to tidelands leased by the 1667 lessee, the lessee shall be required to comply with all other 1668 provisions of the lease and shall be exempt from the assessment 1669 provided for in paragraph (c) of this subsection. Easements for 1670 and rights-of-way for public streets and highways shall not be construed to interrupt the contiguous nature of a parcel of 1671 1672 property. In the event that a lessee does not elect either to 1673 remain bound by the original term of the lease or to convert the 1674 lease to a thirty-year term, the Secretary of State may lease the 1675 state public trust tidelands that are the subject of the lease to 1676 any other person or entity.

1677 (iii) Leases shall provide for review and rent 1678 adjustments at each annual anniversary tied to the All Urban

H. B. No. 1302 ~ OFFICIAL ~ 25/HR26/R2188CS.1 PAGE 68 (GT\KW) 1679 Consumer Price Index-All Items (CPI). In the case of the renewal 1680 of a lease after the expiration of the original thirty-year term 1681 under this subsection, each renewal shall be for a term of thirty 1682 (30) years. The base rate to which the CPI shall apply for 1683 purposes of executing the subsequent lease shall be negotiated by 1684 the lessee with the Secretary of State.

1685 Except as otherwise provided in this (C) (i) 1686 paragraph, any person possessing a license under the Mississippi 1687 Gaming Control Act who does not lease public trust tidelands from 1688 the state or any of its political subdivisions, and who operates a 1689 gaming establishment in any of the three (3) most southern 1690 counties of the state, shall pay an annual in-lieu tidelands 1691 assessment to the Public Trust Tidelands Assessments Fund 1692 (hereinafter referred to as "fund") created in Section 29-15-10, 1693 in the amount and manner provided for in this paragraph.

1694 For calendar year 2006, the annual in-lieu tidelands 1695 assessment paid by the licensee to the fund shall be: 1696 Four Hundred Thousand Dollars 1. 1697 (\$400,000.00), if the capital investment in the part of the 1698 structure in which licensed gaming activities are conducted is 1699 Fifty Million Dollars (\$50,000,000.00) or less. 1700 2. Four Hundred Fifty Thousand Dollars (\$450,000.00), if the capital investment in the part of the 1701

1702 structure in which licensed gaming activities are conducted is

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1703 equal to or more than Fifty Million Dollars (\$50,000,000.00) but 1704 less than Sixty Million Dollars (\$60,000,000.00). 1705 3. Five Hundred Thousand Dollars 1706 (\$500,000.00), if the capital investment in the part of the 1707 structure in which licensed gaming activities are conducted is 1708 equal to or more than Sixty Million Dollars (\$60,000,000.00) but 1709 less than Seventy-five Million Dollars (\$75,000,000.00). 1710 4. Six Hundred Thousand Dollars 1711 (\$600,000.00), if the capital investment in the part of the 1712 structure in which licensed gaming activities are conducted is 1713 equal to or more than Seventy-five Million Dollars (\$75,000,000.00) but less than One Hundred Million Dollars 1714 1715 (\$100,000,000.00). 1716 5. Seven Hundred Thousand Dollars 1717 (\$700,000.00), if the capital investment in the part of the 1718 structure in which licensed gaming activities are conducted is 1719 equal to or more than One Hundred Million Dollars 1720 (\$100,000,000.00) but less than One Hundred Twenty-five Million 1721 Dollars (\$125,000,000.00). 1722 6. Seven Hundred Fifty Thousand Dollars 1723 (\$750,000.00), if the capital investment in the part of the 1724 structure in which licensed gaming activities are conducted is 1725 equal to or more than One Hundred Twenty-five Million Dollars 1726 (\$125,000,000.00).

H. B. No. 1302 ~ OFFICIAL ~ 25/HR26/R2188CS.1 PAGE 70 (GT\KW) For each calendar year thereafter, the Secretary of State shall review and adjust the value of the capital investment and the annual in-lieu tidelands assessment due. Such review and adjustment shall be tied to the CPI.

1731 This paragraph shall not apply to a gaming (ii) 1732 licensee if the licensee conducts gaming in a structure that is 1733 located on property that is leased from the Mississippi State Port 1734 at Gulfport or any political subdivision of the state, or to a 1735 licensee who conducts gaming in a structure that is located on 1736 property that is leased to the licensee jointly by the State of 1737 Mississippi and the City of Biloxi; however, with regard to 1738 property owned by a political subdivision of the state, this 1739 exception shall only apply to property owned by the political subdivision on August 29, 2005, if legal gaming could have been 1740 1741 conducted on such property on that date.

1742 (iii) This paragraph shall not apply to a gaming 1743 licensee if the licensee conducts gaming in a structure that is located on property that is not leased from the State of 1744 1745 Mississippi and/or a political subdivision of the State of 1746 Mississippi and is not on state public trust tidelands, and if the 1747 licensee conducted gaming on that property before August 29, 2005. SECTION 29. Section 29-15-1, Mississippi Code of 1972, is 1748 1749 brought forward as follows:

1750 29-15-1. (a) "Commission" means the Mississippi Commission1751 on Marine Resources.

H. B. No. 1302 ~ OFFICIAL ~ 25/HR26/R2188CS.1 PAGE 71 (GT\KW) (b) "Local tidal datum" means the datum established for a specific tide station through the use of tidal observations made at that station.

(c) "Mean high water" means the arithmetic mean of all the high waters occurring in a particular nineteen-year tidal epoch period; or for a shorter period of time after corrections are applied to the short term observations to reduce these values to the equivalent nineteen-year value.

1760 (d) "Mean high water line" means the intersection of the1761 tidal datum plane of mean high water with the shore.

(e) "Mean high water survey" means a survey of the intersection of the shoreline with the tidal datum plane of mean high water using local tidal datums and surveying methodologies approved by the commission. Methodologies shall include but not be limited to the "staking method," "the topographic method" and "tide coordinated aerial photography."

(f) "National map accuracy standards" means a set of guidelines published by the Office of Management and Budget of the United States to which maps produced by the United States government adhere.

1772 (g) "Submerged lands" means lands which remain covered by 1773 waters, where the tides ebb and flow, at ordinary low tides.

(h) "Tidelands" means those lands which are daily covered and uncovered by water by the action of the tides, up to the mean line of the ordinary high tides.

H. B. No. 1302 25/HR26/R2188CS.1 PAGE 72 (GT\KW) 1777 SECTION 30. Section 29-15-3, Mississippi Code of 1972, is 1778 brought forward as follows:

It is declared to be the public policy of this 1779 29-15-3. (1)1780 state to favor the preservation of the natural state of the public 1781 trust tidelands and their ecosystems and to prevent the 1782 despoliation and destruction of them, except where a specific alteration of specific public trust tidelands would serve a higher 1783 1784 public interest in compliance with the public purposes of the 1785 public trust in which such tidelands are held.

(2) It is hereby declared to be a higher public purpose of this state and the public tidelands trust to resolve the uncertainty and disputes which have arisen as to the location of the boundary between the state's public trust tidelands and the upland property and to confirm the mean high water boundary line as determined by the Mississippi Supreme Court, the laws of this state and this chapter.

1793 **SECTION 31.** Section 29-15-5, Mississippi Code of 1972, is 1794 brought forward as follows:

1795 29-15-5. Tidelands and submerged lands are held by the (1)1796 state in trust for use of all the people, and are so held in their 1797 character as the beds and shores of the sea and its tidally 1798 affected arms and tributaries for the purposes defined by common 1799 law and statutory law. Littoral and riparian property owners have common law and statutory rights under the Coastal Wetlands 1800 Protection Law which extend into the waters and beyond the low 1801

H. B. No. 1302 ~ OFFICIAL ~ 25/HR26/R2188CS.1 PAGE 73 (GT\KW) 1802 tide line, and the state's responsibilities as trustee extends to 1803 such owners as well as to the other members of the public.

1804 (2) Residential property owners shall not be required to
1805 obtain a tidelands lease for exercising their common law and
1806 statutory littoral and riparian rights.

1807 SECTION 32. Section 29-15-9, Mississippi Code of 1972, is 1808 brought forward as follows:

1809 29-15-9. (1) There is created in the State Treasury a 1810 special fund to be known as the "Public Trust Tidelands Fund." 1811 The fund shall be administered by the Secretary of State as 1812 trustee.

1813 Any funds derived from lease rentals of tidelands and (2)1814 submerged lands, except those funds derived from mineral leases, or funds previously specifically designated to be applied to other 1815 1816 agencies, shall be transferred to the special fund. However, 1817 funds derived from lease rentals may be used to cover the 1818 administrative cost incurred by the Secretary of State. Any remaining funds derived from lease rentals shall be disbursed pro 1819 1820 rata to the local taxing authorities for the replacement of lost 1821 ad valorem taxes, if any. Then, any remaining funds shall be 1822 disbursed to the commission for new and extra programs of 1823 tidelands management, such as conservation, reclamation, preservation, acquisition, education or the enhancement of public 1824 1825 access to the public trust tidelands or public improvement 1826 projects as they relate to those lands.

H. B. No. 1302 25/HR26/R2188CS.1 PAGE 74 (GT\KW) 1827 (3) Any funds that are appropriated as separate line items
1828 in an appropriation bill for tideland programs or projects
1829 authorized under this section for political subdivisions or other
1830 agencies shall be disbursed as provided in this subsection.

1831 The Department of Marine Resources shall make (a) 1832 progress payments in installments based on the work completed and 1833 material used in the performance of a tidelands project only after 1834 receiving written verification from the political subdivision or 1835 The political subdivision or agency shall submit agency. 1836 verification of the work completed or materials in such detail and 1837 form that the department may require.

(b) The Department of Marine Resources shall make funds
available for the purpose of using such funds as a match or
leverage for federal or other funds that are available for the
designated tidelands project.

1842 SECTION 33. Section 29-15-10, Mississippi Code of 1972, is 1843 brought forward as follows:

1844 29-15-10. (1) There is created in the State Treasury a 1845 special fund to be known as the "Public Trust Tidelands 1846 Assessments Fund." The purpose of the fund is to ensure that 1847 monies derived from the public trust tidelands assessments shall 1848 be used for the benefit of preserving and protecting the tidelands and submerged lands found within the three (3) most southern 1849 1850 counties of the state. One (1) specific purpose of the fund is to ensure that the annual payment made by the state for the purchase 1851

H. B. No. 1302 **~ OFFICIAL ~** 25/HR26/R2188CS.1 PAGE 75 (GT\KW) 1852 of Deer Island shall continue uninterrupted until the purchase 1853 transaction is completed. The fund shall be administered by the 1854 Secretary of State, as trustee. None of the funds that are in the 1855 special fund or that are required to be deposited into the special 1856 fund shall be transferred, diverted or in any other manner 1857 expended or used for any purpose other than those purposes 1858 specified in this section.

1859 (2) (a) Any funds derived from assessments made pursuant to
1860 Section 29-1-107(4)(c) shall be deposited into the special fund.

1861 (b) Funds paid pursuant to paragraph (a) of this 1862 subsection may be appropriated by the Legislature in an amount 1863 necessary to cover the administrative cost incurred by the 1864 Mississippi Commission on Marine Resources. Any remaining funds 1865 shall be disbursed by the commission for new and extra programs of 1866 tidelands management, such as conservation, reclamation, 1867 preservation, acquisition, education or the enhancement of public 1868 access to the public trust tidelands or public improvement projects as they relate to those lands. 1869

1870 (3) Any funds that are appropriated as separate line items
1871 in an appropriation bill for tideland programs or projects
1872 authorized under this section for political subdivisions or other
1873 agencies shall be disbursed as provided in this subsection.

1874 (a) The Department of Marine Resources shall make
1875 progress payments in installments based on the work completed and
1876 material used in the performance of a tidelands project only after

H. B. No. 1302 **~ OFFICIAL ~** 25/HR26/R2188CS.1 PAGE 76 (gt\kw) 1877 receiving written verification from the political subdivision or 1878 agency. The political subdivision or agency shall submit 1879 verification of the work completed or materials in such detail and 1880 form that the department may require.

(b) The Department of Marine Resources shall make funds available for the purpose of using such funds as a match or leverage for federal or other funds that are available for the designated tidelands project.

1885 SECTION 34. Section 29-15-13, Mississippi Code of 1972, is 1886 brought forward as follows:

1887 29-15-13. All public projects of any federal, state or local 1888 governmental entity which serve a higher public purpose of 1889 promoting the conservation, reclamation, preservation of the 1890 tidelands and submerged lands, public use for fishing, recreation 1891 or navigation, or the enhancement of public access to such lands 1892 shall be exempt from any use or rental fees.

1893 SECTION 35. Section 59-7-405, Mississippi Code of 1972, is 1894 brought forward as follows:

1895 59-7-405. (1) (a) The governing authorities of any 1896 municipality in which there is situated and located, in whole or 1897 in part, a port or harbor through which commerce flows, and having 1898 not less than eight (8) industries engaged in the seafood 1899 industry, which maintains a channel and/or harbor to a depth of 1900 not less than eight (8) feet, may engage in, either directly or 1901 through the commission hereinafter provided and designated, and

H. B. No. 1302 **~ OFFICIAL ~** 25/HR26/R2188CS.1 PAGE 77 (GT\KW) 1902 such other agencies as hereafter may be provided by law, works of 1903 internal improvement, or promoting, developing, constructing, maintaining and operating harbors or seaports within the state and 1904 its jurisdiction, and either directly or through the commission 1905 1906 hereinafter provided for, with the power and authority to acquire, 1907 purchase, install, rent, lease, mortgage and/or otherwise encumber, to construct, own, hold, maintain, equip, use, control 1908 1909 and operate at seaports or harbors, wharves, piers, docks, 1910 warehouses, cold storage facilities, water and rail terminals, airplane landing fields and strips, and other structures and 1911 1912 facilities, needful for the convenient use of the same in the aid of commerce and navigation, and including the dredging of channels 1913 1914 and approaches to the facilities, and being authorized to fill in and reclaim bottomlands where incidental and necessary to the 1915 1916 foregoing development.

(b) A municipality, which is operating a port through a port commission under this section, may dissolve the port commission as provided in Section 59-7-408 and directly operate and maintain the port as provided under this article.

(2) The municipal authorities or commission, in connection with the exercise of the foregoing works of improvement and development, may as an adjunct to any such work of improvement or development to erect or construct such bridges, causeways or structures as may be required for access to and from the harbors or facilities provided as aforesaid by the municipal authorities

H. B. No. 1302 ~ OFFICIAL ~ 25/HR26/R2188CS.1 PAGE 78 (GT\KW) or the commission, and including any necessary bridge or causeway or combination of the same, connecting with any island or islands lying within three (3) leagues of the main shoreline of the Mississippi Sound or the Gulf of Mexico, and whether the same be within or without the limits of the municipality concerned.

(3) The municipal authorities or commission may procure, by gift, grant, purchase, or by the exercise of eminent domain, and for the public purposes and uses herein provided for, such land or interest therein as may be required for the purposes of this article, and regardless of whether the land be within or without the limits of the municipality involved.

(4) The municipal authorities or commission, in the exercise of the powers granted hereunder, may provide any of the aforesaid facilities alone or in collaboration and in conjunction with any other public bodies, entities or commissions, as may now or hereafter be established by law.

1943 The municipal authorities or commission may provide, (5)among other harbor facilities, small craft and pleasure craft 1944 1945 harbors and facilities needed therefor, including park and 1946 recreational facilities as an adjunct thereto, and in order to 1947 develop and promote tourist and recreational trade in the port. 1948 The municipal authorities or commission have the power (6) and authority to carry out the provisions of this article, to 1949 1950 employ engineers, attorneys, and such employees as may be necessary in carrying out the provisions of this article, from 1951

H. B. No. 1302 **~ OFFICIAL ~** 25/HR26/R2188CS.1 PAGE 79 (GT\KW) 1952 time to time, and for the purpose of operating the facilities 1953 herein provided for, and may prescribe reasonable compensation in 1954 connection with such employment.

1955 SECTION 36. Section 59-15-1, Mississippi Code of 1972, is
1956 amended as follows:

1957 59-15-1. The authorities of any city in this state which has a population of ten thousand (10,000) or more, according to the 1958 1959 last official government census, and the authorities of any 1960 municipality bordering on the Mississippi Sound or Gulf of Mexico 1961 are hereby given the authority to acquire by purchase, deed, 1962 donation, gift, grant, reclamation, lease, dedication, or otherwise, land, harbor sites or water frontage for the purpose of 1963 1964 establishing, developing, promoting, maintaining, and operating harbors for small water crafts and recreational parks connected 1965 therewith within its territorial limits, or both, and shall have 1966 1967 the power to acquire, purchase, install, rent, lease, mortgage, 1968 incumber, construct, own, hold, maintain, equip, use, control and operate recreational parks and harbors for small water craft. 1969

1970 SECTION 37. Section 75-76-67, Mississippi Code of 1972, is
1971 brought forward as follows:

1972 75-76-67. (1) Any person who the commission determines is 1973 qualified to receive a license or be found suitable under the 1974 provisions of this chapter, having due consideration for the 1975 proper protection of the health, safety, morals, good order and 1976 general welfare of the inhabitants of the State of Mississippi and

H. B. No. 1302 ~ OFFICIAL ~ 25/HR26/R2188CS.1 PAGE 80 (GT\KW) 1977 the declared policy of this state, may be issued a state gaming 1978 license or found suitable. The burden of proving his 1979 qualification to receive any license or be found suitable is on 1980 the applicant.

1981 (2) An application to receive a license or be found suitable 1982 shall not be granted unless the commission is satisfied that the 1983 applicant is:

1984 A person of good character, honesty and integrity; (a) 1985 A person whose prior activities, criminal record, (b) 1986 if any, reputation, habits and associations do not pose a threat 1987 to the public interest of this state or to the effective regulation and control of gaming, or create or enhance the dangers 1988 1989 of unsuitable, unfair or illegal practices, methods and activities in the conduct of gaming or the carrying on of the business and 1990 1991 financial arrangements incidental thereto; and

1992(c) In all other respects qualified to be licensed or1993found suitable consistent with the declared laws of the state.

1994 No person shall be granted a license or found suitable (3) 1995 under the provisions of this chapter who has been convicted of a 1996 felony in any court of this state, another state, or the United 1997 States; and no person shall be granted a license or found suitable 1998 hereunder who has been convicted of a crime in any court of another state or the United States which, if committed in this 1999 2000 state, would be a felony; and no person shall be granted a license or found suitable under the provisions of this chapter who has 2001

H. B. No. 1302 ~ OFFICIAL ~ 25/HR26/R2188CS.1 PAGE 81 (GT\KW) 2002 been convicted of a misdemeanor in any court of this state or of 2003 another state, when such conviction was for gambling, sale of 2004 alcoholic beverages to minors, prostitution, or procuring or 2005 inducing individuals to engage in prostitution.

2006 (4) A license to operate a gaming establishment shall not be 2007 granted unless the applicant has satisfied the commission that:

2008 (a) He has adequate business probity, competence and2009 experience, in gaming or generally; and

2010 (b) The proposed financing of the entire operation is: 2011 (i) Adequate for the nature of the proposed 2012 operation; and

(ii) From a suitable source. Any lender or other source of money or credit which the commission finds does not meet the standards set forth in subsection (2) may be deemed unsuitable.

2017 (5) An application to receive a license or be found suitable 2018 constitutes a request for a determination of the applicant's general character, integrity and ability to participate or engage 2019 2020 in, or be associated with gaming. Any written or oral statement 2021 made in the course of an official proceeding of the commission or 2022 the executive director or any witness testifying under oath which 2023 is relevant to the purpose of the proceeding is absolutely privileged and does not impose liability for defamation or 2024 2025 constitute a ground for recovery in any civil action.

H. B. No. 1302 ~ OFFICIAL ~ 25/HR26/R2188CS.1 PAGE 82 (GT\KW) (6) The commission may, in its discretion, grant a license to a corporation which has complied with the provisions of this chapter.

(7) The commission may, in its discretion, grant a license to a limited partnership which has complied with the provisions of this chapter.

2032 No limited partnership, except one whose sole limited (8) 2033 partner is a publicly traded corporation which has registered with 2034 the commission, or business trust or organization or other 2035 association of a quasi-corporate character is eligible to receive 2036 or hold any license under this chapter unless all persons having 2037 any direct or indirect interest therein of any nature whatsoever, 2038 whether financial, administrative, policymaking or supervisory, are individually qualified to be licensed under the provisions of 2039 2040 this chapter.

(9) The commission may, by regulation, limit the number of persons who may be financially interested and the nature of their interest in any corporation or other organization or association licensed under this chapter, and may establish such other qualifications of licenses as the commission, in its discretion, deems to be in the public interest and consistent with the declared policy of the state.

2048 **SECTION 38.** Section 87-1-5, Mississippi Code of 1972, is 2049 amended as follows:

H. B. No. 1302 ~ OFFICIAL ~ 25/HR26/R2188CS.1 PAGE 83 (GT\KW) 2050 87-1-5. If any person, by playing at any game whatever, or 2051 by betting on the sides or hands of such as do play at any game, or by betting on any horse race or cockfight, or at any other 2052 2053 sport or pastime, or by any wager whatever, shall lose any money, 2054 property, or other valuable thing, real or personal, and shall pay 2055 or deliver the same or any part thereof, the person so losing and 2056 paying or delivering the same, or his wife or children, may sue 2057 for and recover such money, property, or other valuable thing so 2058 lost and paid or delivered, or any part thereof, from the person 2059 knowingly receiving the same, with costs. However, this section 2060 shall not apply 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;

(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:

2072 (i) The structure is owned, leased or controlled2073 by a person possessing a gaming license, as defined in Section

H. B. No. 1302 ~ OFFICIAL ~ 25/HR26/R2188CS.1 PAGE 84 (GT\KW) 2074 75-76-5, to conduct legal gaming on a cruise vessel under 2075 paragraph (a) of this section;

2076 The part of the structure in which licensed (ii) gaming activities are conducted is located entirely in an area 2077 2078 which is located no more than eight hundred (800) feet from the 2079 mean high-water line (as defined in Section 29-15-1) of the waters 2080 within the State of Mississippi, which lie adjacent to the State 2081 of Mississippi south of the three (3) most southern counties in 2082 the State of Mississippi, including the Mississippi Sound, St. 2083 Louis Bay, Biloxi Bay and Pascagoula Bay, or, with regard to 2084 Harrison County only, no farther north than the southern boundary 2085 of the right-of-way for U.S. Highway 90, whichever is greater; and

2086 In the case of a structure that is located (iii) 2087 in whole or part on shore, the part of the structure in which 2088 licensed gaming activities are conducted shall lie adjacent to 2089 state waters south of the three (3) most southern counties in the 2090 State of Mississippi, including the Mississippi Sound, St. Louis 2091 Bay, Biloxi Bay and Pascagoula Bay. When the site upon which the 2092 structure is located consists of a parcel of real property, 2093 easements and rights-of-way for public streets and highways shall 2094 not be construed to interrupt the contiguous nature of the parcel, 2095 nor shall the footage contained within the easements and 2096 rights-of-way be counted in the calculation of the distances specified in subparagraph (ii) * * *; 2097

H. B. No. 1302 ~ OFFICIAL ~ 25/HR26/R2188CS.1 PAGE 85 (GT\KW) 2098 (c) On a vessel as defined in Section 27-109-1 whenever 2099 such vessel is on the Mississippi River or navigable waters within 2100 any county bordering on the Mississippi River; or

2101 (d) That is legal under the laws of the State of 2102 Mississippi.

2103 **SECTION 39.** Section 97-33-25, Mississippi Code of 1972, is 2104 amended as follows:

2105 97-33-25. If any person shall sell or buy, either directly 2106 or indirectly, any chance in what is commonly called pool, upon 2107 any event whatever, or shall in any manner engage in such business 2108 or pastime, he shall be fined not more than Five Hundred Dollars 2109 (\$500.00) or shall be imprisoned in the county jail not more than 2110 ninety (90) days; provided, however, this section shall not apply 2111 to betting, gaming or wagering:

2112 On a cruise vessel as defined in Section 27-109-1 (a) 2113 whenever such vessel is in the waters within the State of Mississippi, which lie adjacent to the State of Mississippi south 2114 of the three (3) most southern counties in the State of 2115 2116 Mississippi, including the Mississippi Sound, St. Louis Bay, 2117 Biloxi Bay and Pascagoula Bay, and in which the registered voters 2118 of the county in which the port is located have not voted to 2119 prohibit such betting, gaming or wagering on cruise vessels as provided in Section 19-3-79; 2120

2121 (b) In a structure located in whole or in part on shore 2122 in any of the three (3) most southern counties in the State of

H. B. No. 1302 ~ OFFICIAL ~ 25/HR26/R2188CS.1 PAGE 86 (GT\KW) 2123 Mississippi in which the registered voters of the county have 2124 voted to allow such betting, gaming or wagering on cruise vessels 2125 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;

2130 The part of the structure in which licensed (ii) 2131 gaming activities are conducted is located entirely in an area 2132 which is located no more than eight hundred (800) feet from the 2133 mean high-water line (as defined in Section 29-15-1) of the waters within the State of Mississippi, which lie adjacent to the State 2134 2135 of Mississippi south of the three (3) most southern counties in the State of Mississippi, including the Mississippi Sound, St. 2136 2137 Louis Bay, Biloxi Bay and Pascagoula Bay, or, with regard to 2138 Harrison County only, no farther north than the southern boundary 2139 of the right-of-way for U.S. Highway 90, whichever is greater; and

2140 In the case of a structure that is located (iii) 2141 in whole or part on shore, the part of the structure in which 2142 licensed gaming activities are conducted shall lie adjacent to 2143 state waters south of the three (3) most southern counties in the 2144 State of Mississippi, including the Mississippi Sound, St. Louis Bay, Biloxi Bay and Pascagoula Bay. When the site upon which the 2145 2146 structure is located consists of a parcel of real property, 2147 easements and rights-of-way for public streets and highways shall

H. B. No. 1302 ~ OFFICIAL ~ 25/HR26/R2188CS.1 PAGE 87 (GT\KW) 2148 not be construed to interrupt the contiguous nature of the parcel, 2149 nor shall the footage contained within the easements and 2150 rights-of-way be counted in the calculation of the distances 2151 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.

2160 SECTION 40. Section 97-33-27, Mississippi Code of 1972, is
2161 amended as follows:

2162 97-33-27. If any person shall bet on a horse race or a yacht 2163 race or on a shooting match, he shall be fined not more than Five 2164 Hundred Dollars (\$500.00), and, unless the fine and costs be 2165 immediately paid, he shall be imprisoned in the county jail not 2166 more than ninety (90) days; provided, however, this section shall 2167 not apply 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,

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(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;

2186 The part of the structure in which licensed (ii) 2187 gaming activities are conducted is located entirely in an area 2188 which is located no more than eight hundred (800) feet from the 2189 mean high-water line (as defined in Section 29-15-1) of the waters within the State of Mississippi, which lie adjacent to the State 2190 2191 of Mississippi south of the three (3) most southern counties in 2192 the State of Mississippi, including the Mississippi Sound, St. 2193 Louis Bay, Biloxi Bay and Pascagoula Bay, or, with regard to 2194 Harrison County only, no farther north than the southern boundary of the right-of-way for U.S. Highway 90, whichever is greater; and 2195 2196 (iii) In the case of a structure that is located 2197 in whole or part on shore, the part of the structure in which

H. B. No. 1302 ~ OFFICIAL ~ 25/HR26/R2188CS.1 PAGE 89 (gt\kw) 2198 licensed gaming activities are conducted shall lie adjacent to 2199 state waters south of the three (3) most southern counties in the State of Mississippi, including the Mississippi Sound, St. Louis 2200 2201 Bay, Biloxi Bay and Pascagoula Bay. When the site upon which the 2202 structure is located consists of a parcel of real property, 2203 easements and rights-of-way for public streets and highways shall 2204 not be construed to interrupt the contiguous nature of the parcel, 2205 nor shall the footage contained within the easements and 2206 rights-of-way be counted in the calculation of the distances 2207 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 ofMississippi.

SECTION 41. This act shall take effect and be in force from and after July 1, 2025, however, online sports pool or online race book activities shall commence outside of a licensed gaming premises not later than December 8, 2025.