

By: Representative Moak

To: Gaming; Rules; Ways and  
Means

## HOUSE BILL NO. 306

1 AN ACT TO CREATE THE MISSISSIPPI LAWFUL INTERNET GAMING ACT  
2 OF 2015; TO MAKE FINDINGS REGARDING THE AUTHORITY OF THE STATE TO  
3 REGULATE LAWFUL INTERNET GAMING, IN RESPONSE TO CERTAIN FEDERAL  
4 LAWS AND ACTION BY THE UNITED STATES DEPARTMENT OF JUSTICE; TO SET  
5 FORTH DEFINITIONS THAT APPLY TO THE PROVISIONS OF THE ACT; TO  
6 PROVIDE A PROCESS WHEREBY THE MISSISSIPPI GAMING COMMISSION MAY  
7 ISSUE INTERNET WAGERING PERMITS TO GAMING LICENSEES; TO PROVIDE  
8 ADDITIONAL POWERS TO THE COMMISSION, AS NECESSARY TO REGULATE  
9 LAWFUL INTERNET GAMING; TO IMPOSE AN ADDITIONAL LICENSE FEE IN THE  
10 AMOUNT OF FIVE PERCENT ON THE INTERNET WAGERING GROSS REVENUES PER  
11 CALENDAR MONTH; TO PRESCRIBE THE MANNER IN WHICH LAWFUL INTERNET  
12 GAMING MAY BE CONDUCTED; TO PROVIDE PENALTIES FOR VIOLATIONS OF  
13 THE ACT; TO AMEND SECTIONS 75-76-5, 75-76-33, 75-76-79, 75-76-81,  
14 75-76-101, 75-76-129, 75-76-155, 75-76-157, 75-76-177, 75-76-191,  
15 75-76-195 AND 75-76-325, MISSISSIPPI CODE OF 1972, IN CONFORMITY  
16 TO THE PROVISIONS OF THIS ACT; TO BRING FORWARD SECTIONS 75-76-67,  
17 75-76-267, 75-76-301 AND 75-76-303, MISSISSIPPI CODE OF 1972, FOR  
18 PURPOSES OF AMENDMENT; AND FOR RELATED PURPOSES.

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

20 **SECTION 1.** (1) The Legislature finds that since the  
21 development of the Internet, millions of people have chosen to  
22 engage in online gaming through illegal off-shore operators, and  
23 such unlawful gambling is conducted without oversight, regulation,  
24 or enforcement, all of which raises significant concerns for the  
25 protection of our citizens. Without regulation of online



26 gambling, the public's trust and confidence in legal gaming is  
27 impacted.

28 (2) An effective state regulatory and licensing system for  
29 online gaming would inhibit underage wagering and otherwise  
30 protect vulnerable individuals, ensure that the games offered  
31 through the Internet are fair and safe, stop sending much-needed  
32 jobs and tax and fee revenue overseas to illegal operators,  
33 provide a significant source of taxable revenue, create jobs and  
34 economic development, address the concerns of law enforcement, and  
35 ensure that only those persons of good character and fitness, who  
36 meet strict criteria set forth in law and regulations, are  
37 suitable to facilitate and conduct online gaming activities.

38 **SECTION 2.** (1) The provisions of Sections 1 through 19 of  
39 this act shall be known and may be cited as the "Mississippi  
40 Lawful Internet Gaming Act of 2015."

41 (2) Pursuant to the federal law entitled "Unlawful Internet  
42 Gambling Enforcement Act of 2006," known as UIGEA and cited as 31  
43 USCS 5301, the State of Mississippi finds that the state  
44 regulation of legal gaming in this state, and the provisions of  
45 this Mississippi Lawful Internet Gaming Act of 2014, prescribe a  
46 lawful exemption to UIGEA and specifically authorize use of the  
47 Internet to place, receive, or otherwise knowingly transmit a bet  
48 or wager where such Internet wagering complies with the provisions  
49 of Title 75, Chapter 76, Mississippi Code of 1972, and the  
50 applicable regulations promulgated by the Mississippi Gaming



51 Commission. Further, the State of Mississippi finds that any  
52 question regarding the state's authority to regulate lawful  
53 Internet gaming that may have resulted from interpretations that  
54 such gaming violated certain other federal anti-gambling laws has  
55 been vacated by action of the United States Department of Justice  
56 on December 23, 2011.

57 **SECTION 3.** For purposes of Sections 1 through 19 of this  
58 act, the definitions found in Section 75-76-5 shall apply, and in  
59 addition, the following words and phrases shall have the meanings  
60 ascribed below, unless the context clearly indicates otherwise.

61 (a) "Customer deposits" - The deposits made by or on  
62 behalf of a gaming licensee having an Internet wagering permit, or  
63 returns of funds by or on behalf of a gaming licensee to an  
64 Internet wagering account.

65 (b) "Internet" - The international computer network of  
66 interoperable packet switched data networks, inclusive of such  
67 additional technological platforms as mobile, satellite, and other  
68 electronic distribution channels approved by the commission.

69 (c) "Internet game" - Any variation or composite of an  
70 authorized game that is offered through the Internet, provided  
71 that such games, or variations or composites, are found suitable  
72 for use by the commission after an appropriate test or  
73 experimental period; and any other game which is determined by the  
74 commission to be compatible with the public interest and to be  
75 suitable for Internet wagering after such appropriate test or



76 experimental period. The term includes gaming tournaments  
77 conducted via the Internet in which players compete against one  
78 another in one (1) or more of the games authorized herein or by  
79 the commission or in approved variations or composites thereof if  
80 the tournaments are authorized by the commission.

81 (d) "Internet service provider" - Any one of the  
82 following:

83 (i) A person or entity offering the transmission,  
84 routing, or providing of connections for online communications,  
85 between or among points specified by a user, of material of the  
86 user's choosing, without modification to the content of the  
87 material as sent or received;

88 (ii) A provider of online services or network  
89 access, or the operator of facilities therefore;

90 (iii) A provider of hosting services for online  
91 websites, email and other electronic communications; or

92 (iv) A provider of custodial and registration  
93 services for Internet domain names.

94 (e) "Internet wagering" - The placing, receiving, or  
95 transmission of electronic data with a gaming licensee through the  
96 use, at least in part, of the Internet over a secure or dedicated  
97 transmission originating and ending within the state or as  
98 otherwise permitted under applicable law, which data, once  
99 accepted by said gaming licensee within a licensed gaming



100 establishment, shall become a lawful bet or wager on an Internet  
101 game, all as approved by the commission.

102 (f) "Internet wagering account" - The formal,  
103 electronic statement or system recording the balance of a patron's  
104 debits, credits, and other activity relating to Internet wagering.

105 (g) "Internet wagering account agreement" - The  
106 agreement entered into between a gaming licensee and an  
107 individual, which agreement governs the terms and conditions of  
108 said individual's Internet wagering account and the use of the  
109 Internet for purposes of placing bets or wagers on Internet games.  
110 The Internet wagering account agreement may be executed  
111 electronically as approved by the commission.

112 (h) "Internet wagering permit" - The certificate and  
113 approval issued by the commission that certifies a gaming  
114 licensee's permission to conduct Internet wagering and that said  
115 gaming licensee's facilities conform to requirements of the act  
116 and applicable regulations.

117 (i) "Significant vendor" - Any person or entity that:

118 (i) On behalf of a gaming licensee, knowingly  
119 manages, administers, or controls bets or wagers that are  
120 initiated, received, or otherwise made as approved by the  
121 commission;

122 (ii) On behalf of a gaming licensee, knowingly  
123 manages, administers, or controls the games with which such bets  
124 or wagers are associated;



125 (iii) On behalf of a licensee, develops,  
126 maintains, or operates the software or other system programs or  
127 hardware on which the Internet games or the bets or wagers are  
128 managed, administered, or controlled;

129 (iv) Provides the trademarks, trade names, service  
130 marks, or similar intellectual property under which a gaming  
131 licensee identifies its Internet wagering to its customers;

132 (v) Provides information on individuals who made  
133 bets or wagers pursuant to Internet wagering not licensed under  
134 this act via a database or customer lists;

135 (vi) Provides any products, services, or assets  
136 to, and is paid a percentage of revenue or fees by, the gaming  
137 licensee (not including fees to financial institutions and payment  
138 providers for facilitating a deposit by a customer); or

139 (vii) With respect to an applicant, proposes to  
140 provide any of the activities, services, or items identified in  
141 subparagraphs (a) through (e).

142 (j) "Internet wagering gross revenue" -

143 (i) For all Internet games, with the exception of  
144 Internet poker, the total of all sums actually received by a  
145 gaming licensee from Internet wagering, less the total of all sums  
146 actually paid out as winnings to patrons; provided, however, that  
147 the cash equivalent value of any merchandise or thing of value  
148 included in a jackpot or payout shall not be included in the total



149 of all sums paid out as winnings to patrons for purposes of  
150 determining Internet wagering gross revenue.

151 (ii) For Internet poker, the total of all sums  
152 actually received by a gaming licensee from Internet poker, or the  
153 aggregate, during the relevant period, of the take, tournament  
154 fees and all other fees or charges required or received from  
155 customers directly as a result of Internet poker, from deposits  
156 into any account maintained by the licensee or on behalf of the  
157 licensee, less the total of all sums actually paid out as winnings  
158 to patrons; provided, however, that the cash equivalent value of  
159 any merchandise or thing of value included in a jackpot or payout  
160 shall not be included in the total of all sums paid out as  
161 winnings to patrons for purposes of determining Internet wagering  
162 gross revenue.

163 (iii) For all Internet games, including Internet  
164 poker, "Internet wagering gross revenue" shall not include  
165 customer deposits nor deposits that reflect promotional credits,  
166 incentives from loyalty or similar programs, bonuses, or  
167 complimentary amenities provided by or on behalf of the gaming  
168 licensee attendant to Internet gaming operations or Internet  
169 wagering; or returns of funds by or on behalf of a gaming licensee  
170 to an Internet wagering account, charge-back fees or bad debt  
171 incurred by the gaming licensee with respect to an Internet  
172 wagering account.



173           (k) "Licensed gaming establishment for Internet  
174 wagering" - Any room or area within the state approved by the  
175 commission to conduct Internet wagering and shall also include,  
176 where approved by the commission, redundancy facilities.

177           (1) "Redundancy facilities" - Any and all rooms or  
178 areas within the State of Mississippi, used by the gaming licensee  
179 for emergency back-up, redundancy or secondary operations  
180 attendant to gaming or Internet wagering as approved by the  
181 commission.

182           **SECTION 4.** (1) The commission may issue an Internet  
183 wagering permit upon satisfaction by a gaming licensee of all  
184 terms and conditions required by this chapter and applicable  
185 regulations.

186           (2) The commission may establish a separate division to  
187 which authority shall be delegated for the administration of  
188 Internet wagering, Internet wagering permits, and enforcement of  
189 criminal activity conducted, at least in part, through the  
190 Internet.

191           (3) Nothing in this section shall be construed to authorize  
192 the operation of a place of public accommodation, club or  
193 association (including one limited to dues-paying members or  
194 similar restricted groups), cafeteria, or similar establishment  
195 that allows access to the Internet for gambling, unless licensed  
196 under the provisions of Sections 1 through 19 of this act.





197           SECTION 5. (1) In the regulation of lawful Internet gaming,  
198 the commission shall have the additional powers described in  
199 Section 5 of this act, with respect to conducting an in rem  
200 deactivation of Internet domains.

201           (2) The commission may commence an in rem action against any  
202 domain name or names used by an Internet site if:

203                   (a) The domain name is used by an Internet site that is  
204 conducting unlawful Internet gambling; and

205                   (b) The commission simultaneously sends a notice of the  
206 alleged violation and intent to proceed under this subsection to  
207 the registrant of the domain name at the postal and email address  
208 provided by the registrant to the registrar, if available, and  
209 publishes notice of the action as the court may direct promptly  
210 after filing the action. For purposes of this section, the  
211 actions described above shall constitute lawful service of  
212 process.

213           (3) In an in rem action commenced under subsection (2) of  
214 this section, a domain name shall be deemed to have its situs in  
215 the State of Mississippi, provided that:

216                   (a) The domain name registrar or registry is located,  
217 doing business in, or maintains minimum contacts within the state;  
218 or

219                   (b) Documents sufficient to establish control and  
220 authority regarding the disposition of the registration and use of  
221 the domain name are deposited with the court.



222 If the foregoing does not apply to a particular domain name,  
223 the in rem action may be brought in the State of Mississippi to  
224 prevent and restrain access to the domain by users located within  
225 the state if the domain is accessible from users within the state.

226 (4) Service of court orders shall be made as follows:

227 (a) In connection with an order obtained in an action  
228 to which subsection (3) of this section applies, the commission or  
229 law enforcement officer shall serve any court order issued  
230 pursuant to this section on the domain name registrar or, if the  
231 domain name registrar is not located within the United States,  
232 upon the registry. Upon receipt of such order, the domain name  
233 registrar or domain name registry shall suspend operation of, and  
234 may lock, the domain name; or

235 (b) For nondomestic domains, in connection with an  
236 order obtained in an action to which subsection (3) applies, the  
237 commission or law enforcement officer may serve any court order  
238 issued pursuant to this section on entities described below.  
239 After being served with an order issued pursuant to this section,  
240 an Internet service provider, or any other operator of a  
241 nonauthoritative domain name system server shall take, as  
242 expeditiously as possible, technically feasible and reasonable  
243 steps designed to prevent a domain name from resolving to that  
244 domain name's Internet protocol address, except that (i) such  
245 entity shall not be required to modify its network or other  
246 facilities to comply with such order, to take any steps with



247 respect to domain name lookups not performed by its own domain  
248 name system server; or to continue to prevent access to a domain  
249 name to which access has been effectively disabled by other means;  
250 and (ii) nothing in this paragraph shall affect the limitation on  
251 an entity's liability under subsection (6) of this section.

252 (5) An entity taking an action described in this section  
253 shall determine how to communicate such action to the entity's  
254 users or customers. For purposes of an action filed under this  
255 section, the obligations of an entity described in this subsection  
256 (5) shall be limited to the actions set out in each paragraph or  
257 subparagraph applicable to such entity. No order issued pursuant  
258 to this section shall impose any additional obligations on, or  
259 require additional actions by, such entity.

260 (6) No cause of action shall lie in any court or  
261 administrative agency against any entity receiving a court order  
262 issued under this section, or against any director, officer,  
263 employee, or agent thereof, for any act reasonably designed to  
264 comply with this section or reasonably arising from such order,  
265 other than in an action pursuant to subsection (5) of this  
266 section. Any entity receiving an order under this subsection, and  
267 any director, officer, employee, or agent thereof, shall not be  
268 liable to any party for any acts reasonably designed to comply  
269 with this subsection or reasonably arising from such order, other  
270 than in an action pursuant to subsection (7) of this section, and  
271 any actions taken by customers of such entity to circumvent any



272 restriction on access to the Internet domain instituted pursuant  
273 to this subsection or any act, failure, or inability to restrict  
274 access to an Internet domain that is the subject of a court order  
275 issued pursuant to this subsection despite good faith efforts to  
276 do so by such entity shall not be used by any person in any claim  
277 or cause of action against such entity, other than in an action  
278 pursuant to subsection (7). No domain name registry, domain name  
279 registrar, or service that provides advertisements to Internet  
280 sites shall be liable to any person on account of any action  
281 described in this section voluntarily taken if the entity  
282 reasonably believes the Internet site is engaged in providing  
283 unlawful Internet gambling.

284 (7) To compel compliance with this section, the commission  
285 may bring an action for injunctive relief against any party  
286 receiving a court order issued pursuant to this section that  
287 knowingly and willfully fails to comply with such order. In such  
288 action, a showing by the defending party that it does not have the  
289 technical means to comply with this section, or that the order is  
290 inconsistent with this section, shall serve as a defense to such  
291 action to the extent of the inability to comply or such  
292 inconsistency.

293 (8) At any time after the issuance of a court order under  
294 this section:

295 (a) The commission may apply for a modification of the  
296 order to expand the order to apply to an Internet site that is



297 reconstituted using a different domain name subsequent to the  
298 original order, and to include additional domain names that are  
299 used in substantially the same manner as the Internet site against  
300 which the action was brought, by providing the court with evidence  
301 that the Internet site associated with the requested modification  
302 is engaged in unlawful Internet gambling, and is under joint  
303 control, ownership, or operation of, or other affiliation with,  
304 the domain name subject to the order;

305 (b) A defendant or owner or operator of a domain name  
306 subject to the order, or any party required to take action based  
307 on the order, may petition the court to modify, suspend, or vacate  
308 the order, based on evidence that the Internet site associated  
309 with the domain name subject to the order is no longer, or never  
310 was, engaged in unlawful Internet gambling, or the interests of  
311 justice require that the order be modified, suspended, or vacated;  
312 and

313 (c) A registrar or owner, licensee, or operator of a  
314 domain name subject to the order may petition the court to vacate  
315 the order based on evidence that the registration of the domain  
316 name has expired and the domain name has been reregistered by a  
317 different party.

318 **SECTION 6.** (1) No Internet wagering shall be allowed,  
319 except for testing or pilot program purposes, until a gaming  
320 licensee obtains an Internet wagering permit. A permit shall be



321 issued by the commission upon a finding that the gaming licensee's  
322 Internet wagering operations:

323 (a) Comply in all respects with the requirements of  
324 this act and the Mississippi Gaming Control Act, including any  
325 regulations promulgated thereunder;

326 (b) Provide age and location verification requirements  
327 reasonably designed to block access to those under the age of  
328 twenty-one (21) years, persons located outside of the state, and  
329 those persons excluded or prohibited pursuant to Section 75-76-35;

330 (c) Include appropriate data security standards to  
331 prevent unauthorized access by any person whose age and location  
332 has not been verified in accordance with the regulations  
333 promulgated hereunder;

334 (d) Include appropriate standards to protect, within a  
335 reasonable certainty, the privacy and security of patrons; and

336 (e) Provide that the gaming licensee's initial system  
337 of internal controls applicable to Internet wagering, and the  
338 security and integrity of all financial transactions therein,  
339 comply with this chapter and the regulations promulgated  
340 thereunder.

341 (2) It shall be an express condition of any Internet  
342 wagering permit that a gaming licensee shall collect, report, and  
343 pay any and all applicable taxes and fees and shall maintain all  
344 books, records, and documents pertaining to said gaming licensee's  
345 Internet wagering in a manner and location within this state as



346 approved by the commission, or for books, records, and documents  
347 not related to Internet wagering, at such other locations outside  
348 the state as approved by the commission. All such books, records  
349 and documents shall be immediately available for inspection during  
350 all hours of operation in accordance with the regulations of the  
351 commission and shall be maintained in such a manner and for such  
352 periods of time as the commission shall require.

353 (3) Subject to the power of the commission to deny, revoke,  
354 or suspend, an Internet wagering permit may be renewed by the  
355 commission for periods of one (1) to five (5) years.

356 **SECTION 7.** (1) All facilities, equipment other than  
357 personal electronic equipment owned and possessed by a person, and  
358 employees of a gaming licensee's Internet wagering operation  
359 shall:

360 (a) Be arranged in a manner promoting appropriate  
361 security for Internet wagering;

362 (b) Include a closed circuit visual monitoring system  
363 according to rules or specifications approved by the commission,  
364 with access to the online portal, signal, or transmission used in  
365 connection with Internet wagering;

366 (c) Not be designed in any way that might interfere  
367 with or impede the commission in its regulation of Internet  
368 wagering; and

369 (d) Comply in all respects with regulations of the  
370 commission pertaining thereto.



371 (2) An Internet wagering account shall be designated in the  
372 name of a natural person only and may not be in the name of any  
373 beneficiary, custodian, joint trust, corporation, partnership or  
374 other organization or entity, without the approval of the  
375 commission.

376 (3) An Internet wagering account may be executed via the  
377 Internet or such other electronic means as approved by the  
378 commission, and said account shall comply with the internal  
379 controls of the gaming licensee that, at a minimum, require the  
380 following:

381 (a) Filing and execution of an Internet wagering  
382 account agreement, in a form that has been preapproved by the  
383 commission;

384 (b) Providing proof of age and residency as  
385 demonstrated by at least two (2) forms of identification approved  
386 by the commission;

387 (c) Providing the physical address of the principal  
388 residence of the prospective account holder, electronic mail  
389 address of the prospective account holder, and such other contact  
390 information, as the commission or gaming licensee may require;

391 (d) Using a password or other secured identification to  
392 access the Internet wagering account, or some other mechanism  
393 approved by the commission to authenticate the player as the  
394 secured holder to the Internet wagering account; and





395           (e) Acknowledging under penalty of perjury that false  
396 or misleading statements made in regard to an application for an  
397 Internet wagering account may subject the applicant to civil and  
398 criminal penalties.

399           (4) The licensee may accept or reject an application after  
400 receipt and review of the application and proof of age for  
401 compliance with the provisions of Sections 1 through 19 of this  
402 act. The gaming licensee shall have the right, at any time with  
403 or without cause, to suspend or close any Internet wagering  
404 account at its sole discretion.

405           (5) In addition to those under the age of twenty-one (21)  
406 years, persons located outside of the state, and those persons  
407 excluded or prohibited pursuant to Section 75-76-35, a person who  
408 is an employee of the gaming licensee conducting Internet wagering  
409 is prohibited from obtaining an Internet wagering account with  
410 that gaming licensee; however, the person may have an Internet  
411 wagering account with another gaming licensee that does not employ  
412 the person.

413           (6) Internet wagering accounts shall not be assignable or  
414 otherwise transferable, and the gaming licensee at any time, may  
415 declare all or any part of Internet wagering to be closed for  
416 wagering.

417           (7) A gaming licensee may accept bets or wagers through  
418 Internet wagering as follows:



419 (a) The bet or wager shall be placed directly with the  
420 gaming licensee by the holder of the Internet wagering account;

421 (b) The account holder placing the bet or wager shall  
422 provide the gaming licensee with authentication information for  
423 access to the Internet wagering account;

424 (c) A gaming licensee may not accept a bet or wager in  
425 an amount in excess of funds on deposit in the account holder's  
426 Internet wagering account; and

427 (d) Only the account holder may access his or her  
428 Internet wagering account and place a bet or wager on an Internet  
429 game; provided, however, the gaming licensee shall not be  
430 responsible for a nonaccount holder accessing an Internet wagering  
431 account where the nonaccount holder falsely represented that he or  
432 she was the account holder and provided the gaming licensee with  
433 authentication information of the account holder for access to the  
434 Internet wagering account.

435 (8) Credits to an Internet wagering account may be made as  
436 provided in this subsection.

437 (a) The account holder's deposits to the Internet  
438 wagering account shall be submitted by the account holder to the  
439 gaming licensee and shall be in the form of one of the following:

440 (i) Cash given to the gaming licensee;

441 (ii) Check, money order, negotiable order of  
442 withdrawal, or wire or electronic transfer, payable and remitted  
443 to the gaming licensee;



444 (iii) Charges made to an account holder's debit or  
445 credit card upon the account holder's authorization, which  
446 authorization may be given via the Internet or other electronic  
447 communication;

448 (iv) Promotional credits, incentives from loyalty  
449 or similar programs, bonuses, or complimentary amenities provided  
450 by or on behalf of the gaming licensee; or

451 (v) Any other method approved by the commission.

452 (b) When an account holder wins an Internet game, the  
453 gaming licensee shall pay to the account holder electronic chips  
454 or other cash equivalents in the appropriate amount pursuant to  
455 the rules of that Internet game for that particular type of wager.  
456 When the account holder cashes out the electronic chips or other  
457 cash equivalents, the gaming licensee shall credit the holder's  
458 account in the amount of the electronic chips or other cash  
459 equivalents.

460 (c) The gaming licensee shall have the right to refuse,  
461 for any valid reason, all or part of any wager or deposit to the  
462 Internet wagering account.

463 (d) Funds deposited in the Internet wagering account  
464 shall not bear interest to the account holder.

465 (9) Debits to an Internet wagering account may be made as  
466 provided by this subsection.

467 (a) When an account holder logs onto an Internet  
468 wagering account and exchanges account funds for electronic chips



469 or other cash equivalents, the licensee shall debit the holder's  
470 account in the amount of funds exchanged. Upon receipt by a  
471 gaming licensee of an account wager or an account purchase order,  
472 the gaming licensee shall debit the account holder's electronic  
473 chips or other cash equivalents in the amount of the wager or  
474 purchase.

475 (b) A gaming licensee may authorize a withdrawal from  
476 an Internet wagering account when the account holder submits to  
477 the gaming licensee:

478 (i) Proper identification, whether via the  
479 Internet or on the premises of a gaming licensee;

480 (ii) Correct authentication information for access  
481 to the account; and

482 (iii) Such other electronic forms or permissions  
483 as required by the commission.

484 Upon receipt of all of the foregoing information, and if  
485 there are sufficient funds in the account to cover the withdrawal,  
486 the gaming licensee, at the customer's direction, may also send a  
487 check payable in the amount requested to the holder at the address  
488 specified in the application for the Internet wagering account or  
489 shall transmit payment to the account holder electronically, as  
490 approved by the commission.

491 (10) The gaming licensee may apply chargeback, inactivity,  
492 or other fees or charges against an account holder's Internet  
493 wagering account.



494           SECTION 8. (1) An Internet service provider shall not be  
495 held liable for unlawful Internet gambling, or otherwise hosting  
496 an online gaming site permitted by this chapter or other  
497 applicable state or federal law, unless the Internet service  
498 provider has actual knowledge that the site in question is  
499 currently operating in violation of Sections 1 through 19 of this  
500 act, the Mississippi Gaming Control Act, or of any other  
501 applicable provision of federal or state law.

502           (2) An Internet service provider that takes an action  
503 described in this section below with respect to an Internet site  
504 shall not be liable to any party for that action if the Internet  
505 service provider takes the action because the account holder or  
506 purported owner of the site is any one (1) of the following:

507           (a) A person or entity that is included in the list of  
508 unlicensed Internet gambling enterprises prepared by the  
509 commission;

510           (b) A person or entity that the Internet service  
511 provider reasonably believes is included in that list;

512           (c) A person or entity that is included in a list of  
513 unlicensed Internet gambling enterprises made available to the  
514 Internet service provider by the commission;

515           (d) A person or entity that the Internet service  
516 provider reasonably believes is included in a list described in  
517 paragraph (c) of this subsection (2);



518 (e) A person or entity that is demonstrated to be an  
519 unlicensed Internet gambling enterprise based on information,  
520 other than a list described in paragraph (c) of this subsection  
521 (2), that is made available to the Internet service provider  
522 transaction provider; or

523 (f) A person or entity that the Internet service  
524 provider reasonably believes is demonstrated to be an unlicensed  
525 Internet gambling enterprise based on information described in  
526 paragraph (e) of this subsection (2).

527 (3) An Internet service provider takes an action described  
528 in this section if the Internet service provider:

529 (a) Blocks or otherwise restricts an account holder's  
530 ability to access to the site, its control panel or filing system;

531 (b) Prevents part or all of an Internet site from being  
532 accessed by users; or

533 (c) Closes an account or ends a hosting relationship.

534 (4) An Internet service provider that takes an action  
535 described in subsection (3) of this section with respect to an  
536 Internet site shall not be liable to any party for that action if  
537 the Internet service provider takes such action pursuant to valid  
538 written notice of the illegal gambling activity, as provided by  
539 the commission or any other ranking law enforcement official of  
540 any jurisdiction where the unlawful Internet gambling is  
541 accessible. The form of such notice shall be determined by  
542 regulations that shall be prescribed by the commission.



543 (5) On application of the commission or any other law  
544 enforcement official of any jurisdiction where unlawful Internet  
545 gambling is accessible, the court may issue a temporary  
546 restraining order, a preliminary injunction, or an injunction  
547 against the domain name used by an Internet site engaging in such  
548 unlawful Internet gambling to cease and desist from undertaking  
549 any further activity in violation of this act or any other  
550 applicable federal or state law. The court may grant injunctive  
551 relief with respect to an Internet service provider in one or more  
552 of the following forms:

553 (a) An order restraining the Internet service provider  
554 from providing access to a particular online site on the  
555 provider's system or network;

556 (b) An order restraining the Internet service provider  
557 from providing access, by taking reasonable steps specified in the  
558 order to block access, to a specific and identified Internet  
559 domain that is hosted outside the United States;

560 (c) An order restraining the Internet service provider  
561 from providing access, by taking reasonable steps specified in the  
562 order to block access, to a specific and identified Internet  
563 domain to users residing in a particular jurisdiction specified in  
564 the order;

565 (d) An order restraining the Internet service provider  
566 from providing access to a subscriber or account holder of the  
567 service provider's system or network who is engaging in unlawful



568 Internet gambling and is identified in the order, by terminating  
569 the accounts of the subscriber or account holder that are  
570 specified in the order;

571 (e) An order restraining the Internet service provider  
572 from providing access to a subscriber or account holder of the  
573 service provider's system or network who is using the provider's  
574 service to engage in unlawful Internet gambling and is identified  
575 in the order, by terminating the accounts of the subscriber or  
576 account holder that are specified in the order; or

577 (f) Such other injunctive relief as the court may  
578 consider necessary to prevent or restrain unlawful Internet  
579 gambling, if such relief is the least burdensome to the Internet  
580 service provider among the forms of relief comparably effective  
581 for that purpose.

582 (6) Injunctive relief under this section shall be available  
583 only after notice and an opportunity for the Internet service  
584 provider to appear shall be provided, except for orders ensuring  
585 the preservation of evidence or other orders having no material  
586 adverse effect on the operation of the service provider's  
587 communications network.

588 **SECTION 9.** All bets or wagers made through Internet wagering  
589 shall be deemed to be initiated, received or otherwise made within  
590 the State of Mississippi, provided that such Internet wagering is  
591 conducted by a gaming licensee with an Internet wagering permit  
592 and in accordance with this chapter and the regulations adopted by





593 the commission. The intermediate routing of electronic data in  
594 connection with Internet wagering shall not determine the location  
595 or locations in which a bet or wager is initiated, received, or  
596 otherwise made.

597 **SECTION 10.** (1) Each gaming licensee who holds or has  
598 applied for an Internet wagering permit shall submit to the  
599 commission a description of its initial internal procedures and  
600 administrative and accounting controls for Internet wagering that  
601 comply with the requirements of this act and the regulations  
602 promulgated thereunder, and provide adequate and effective  
603 controls for the real-time monitoring of all Internet games. A  
604 gaming licensee's initial system of internal controls shall  
605 contain both narrative and diagrammatic representations of the  
606 internal control system to be utilized by the licensed gaming  
607 establishment with regard to Internet wagering, including, but not  
608 limited to:

609 (a) Accounting controls, including the standardization  
610 of forms and definition of terms to be utilized for Internet  
611 wagering;

612 (b) Job descriptions and the system of personnel and  
613 chain-of-command, establishing a diversity of responsibility among  
614 employees engaged in Internet wagering and identifying areas of  
615 responsibility, salary structure, and personnel practices;



616 (c) Procedures for the establishment of Internet  
617 wagering accounts, including a procedure for age and location  
618 verification;

619 (d) Procedures for the termination of an Internet  
620 wagering account by the account holder and the return of any  
621 remaining funds in the Internet wagering account to the account  
622 holder;

623 (e) Procedures for the termination of a dormant  
624 account;

625 (f) Procedures for the log-on and authentication of an  
626 account holder and the log-off of the account holder when the  
627 account holder has ceased Internet wagering, including a procedure  
628 to automatically log-off the holder after a specified period of  
629 inactivity;

630 (g) Procedures for the crediting and debiting of  
631 Internet wagering accounts;

632 (h) Procedures for the withdrawal of funds from an  
633 Internet wagering account by the account holder;

634 (i) Procedures for the recording of transactions  
635 pertaining to Internet wagering;

636 (j) Procedures for the security of information and  
637 funds in an Internet wagering account;

638 (k) Procedures for the security of licensed gaming  
639 establishments where Internet wagering is conducted;



640 (l) Procedures and security standards for the handling  
641 and storage of software, computers and other electronic equipment  
642 used to conduct Internet wagering;

643 (m) Procedures and security standards to protect  
644 software, computers and other gaming equipment used to conduct  
645 Internet wagering from tampering by gaming employees or any other  
646 person, from a location inside or outside of the gaming licensee's  
647 hotel facility;

648 (n) Procedures for responding to tampering with  
649 software, computers and other gaming equipment used to conduct  
650 Internet wagering or any gaming-related equipment or hardware used  
651 in support of gaming, including partial or complete suspension of  
652 Internet wagering operations or the suspension of any or all  
653 Internet wagering accounts when warranted;

654 (o) Procedures for the identification and maintenance  
655 of agreements pertaining to any person that manages, administers,  
656 controls, or otherwise materially affects bets or wagers that are  
657 initiated, received, or otherwise made in connection with Internet  
658 wagering;

659 (p) Procedures to assist problem and compulsive  
660 gamblers including, without limitation, procedures regarding  
661 self-exclusion; and

662 (q) Procedures for the use or involvement of  
663 significant vendors.



664           (2) The commission shall review the initial submission  
665 required by subsection (1) of this section, and shall determine  
666 whether it conforms with the requirements of Sections 1 through 19  
667 of this act and whether the system submitted provides adequate and  
668 effective controls for Internet wagering of the particular gaming  
669 licensee submitting it. If the commission finds any  
670 insufficiencies, it shall specify them in writing to the gaming  
671 licensee, who shall make appropriate alterations. When the  
672 commission determines the initial submission to be adequate in all  
673 respects, it shall notify the gaming licensee. Except as  
674 otherwise provided in subsection (1) of this section, no gaming  
675 licensee shall commence or alter Internet wagering unless and  
676 until the initial submission is approved by the commission.

677           (3) It shall be lawful for a gaming licensee to provide  
678 marketing information and promotional credits, incentives from  
679 loyalty or similar programs, bonuses, and complimentary amenities  
680 by means of the Internet to players engaged in Internet wagering.

681           (4) Upon approval by the commission of the initial  
682 submission required by subsection (1) of this section, each gaming  
683 licensee shall be required to create, maintain, and file with the  
684 commission a description of its internal procedures and  
685 administrative and accounting controls for Internet wagering that  
686 conform to the requirements of paragraphs (a) through (q) of  
687 subsection (1) of this section and the regulations promulgated  
688 thereunder. Once the procedures and controls set forth in the



689 initial submission are approved by the commission, no further  
690 approval of a gaming licensee's internal procedures and  
691 administrative and accounting controls for Internet wagering is  
692 required.

693 **SECTION 11.** (1) The commission shall, by regulation,  
694 establish such technical standards for approval of software,  
695 computers and other gaming equipment used to conduct Internet  
696 wagering, including mechanical, electrical or program reliability,  
697 security against tampering, and the comprehensibility of wagering,  
698 as it may deem necessary to protect the player from fraud or  
699 deception and to insure the integrity of Internet wagering.

700 (2) All equipment used by a gaming licensee to conduct  
701 Internet wagering, including, but not limited to, computers,  
702 servers, monitoring rooms, and hubs, shall be located, with the  
703 prior approval of the commission, in a licensed gaming  
704 establishment including, where appropriate, redundancy facilities;  
705 provided, however, that such equipment not used in connection with  
706 Internet wagering may be located in such other locations within or  
707 outside of the state as approved by the commission.

708 (3) No software, computer or other gaming equipment shall be  
709 used to conduct Internet wagering unless it has been specifically  
710 tested and approved by the commission. For the purpose of  
711 expediting the approval process, the commission may refer testing  
712 to any testing laboratory. The commission shall give priority to  
713 the testing of software, computers or other gaming equipment which



714 a gaming licensee has certified it will use to conduct Internet  
715 wagering in this state.

716        **SECTION 12.** (1) It is unlawful for a person to knowingly  
717 alter, tamper, or manipulate software, computers or other  
718 equipment used to conduct Internet wagering, in order to alter the  
719 odds or the payout of an Internet game, or to disable the Internet  
720 game from operating according to the rules of the game as  
721 authorized by the Internet wagering permit. Any natural person  
722 who is convicted of violating this provision shall be fined not  
723 more than Fifty Thousand Dollars (\$50,000.00) for each violation.  
724 In the case of a person other than a natural person, any person  
725 who is convicted of violating this provision shall be fined not  
726 more than Two Hundred Thousand Dollars (\$200,000.00) for each  
727 violation.

728        (2) In addition to the penalties provided in subsection (1),  
729 an employee of the gaming licensee who violates this section shall  
730 have his or her license revoked and shall be subject to such  
731 further penalty as the commission deems appropriate.

732        **SECTION 13.** (1) It is unlawful for a person to knowingly  
733 offer, or allow to be offered, any game through Internet wagering  
734 that has been altered, tampered, or manipulated in a way that  
735 affects the odds or the payout of an Internet game, or that  
736 disables the Internet game from operating according to the rules  
737 of the game as promulgated by the commission. Any natural person  
738 who is convicted of a violation of this section shall be subject



739 to be fined not more than Fifty Thousand Dollars (\$50,000.00) for  
740 each violation. In the case of a person other than a natural  
741 person, any person who is convicted of violating this provision  
742 shall be fined not more than Two Hundred Thousand Dollars  
743 (\$200,000.00) for each violation.

744 (2) In addition to the penalties provided in subsection (1)  
745 of this section, an employee of the gaming licensee who knowingly  
746 violates this section shall have his or her license suspended for  
747 a period of not less than thirty (30) days.

748 **SECTION 14.** (1) No person under the age of twenty-one (21)  
749 years is allowed to open, maintain, or use in any way an Internet  
750 wagering account. Any gaming licensee or employee of a gaming  
751 licensee who knowingly allows such a person to do so shall be  
752 subject to the penalty set forth in the regulations promulgated  
753 under this act, except that the establishment of all of the  
754 following facts by a licensee or employee allowing any such  
755 underage person to maintain an account shall constitute a defense  
756 to any regulatory action or penalty:

757 (a) The underage person falsely represented during the  
758 application process for an Internet wagering account that he or  
759 she was of the permitted age; and

760 (b) The establishment of the Internet wagering account  
761 was made in good faith, relying upon such representation, and in  
762 the reasonable belief that the underage person was actually the  
763 permitted age or older.



764 (2) In addition to the penalties provided in subsection (1)  
765 of this section, an employee of the gaming licensee who violates  
766 the provisions of this section more than twice may have his or her  
767 license revoked.

768 (3) In addition to the penalties provided in subsection (1)  
769 of this section, a gaming licensee that violates the provisions of  
770 this section may be fined or face such additional sanctions as the  
771 commission deems appropriate.

772 **SECTION 15.** (1) The commission shall, establish fees for  
773 the issuance or renewal of Internet wagering permits. The  
774 issuance fee shall be based upon the cost of investigation and  
775 consideration of the license application and shall be not less  
776 than Two Hundred Thousand Dollars (\$200,000.00). The renewal fee  
777 shall be based upon the cost of maintaining enforcement, control,  
778 and regulation of Internet wagering and shall not be less than One  
779 Hundred Thousand Dollars (\$100,000.00).

780 (2) The commission shall certify the actual and prospective  
781 costs of the investigative and enforcement functions of the  
782 commission, which costs shall be the basis, together with the  
783 operating expenses of the commission, for the establishment of  
784 annual license issuance and renewal fees.

785 (3) A nonrefundable deposit of at least One Hundred Thousand  
786 Dollars (\$100,000.00) shall be posted with each application for an  
787 Internet wagering permit and shall be applied to the initial  
788 permit fee if the application is approved.





789 (4) Notwithstanding subsections (1) and (3) of this section,  
790 and in addition to the issuance or renewal fees for an Internet  
791 wagering permit, a gaming licensee having an Internet wagering  
792 permit shall pay to the commission:

793 (a) An amount equal to One Hundred Thousand Dollars  
794 (\$100,000.00) annually to be deposited into the State General  
795 Fund; and

796 (b) An amount equal to One Hundred Thousand Dollars  
797 (\$100,000.00) annually to be deposited into the Mississippi Gaming  
798 Commission Fund created in Section 75-76-325, to be used by the  
799 commission in combating criminal activity performed through the  
800 use of the Internet.

801 **SECTION 16.** (1) Whenever a gaming licensee owes a patron a  
802 specific amount of money as the result of a gaming transaction  
803 that remains inactive or dormant within a patron's Internet  
804 wagering account, for such period and under such conditions as may  
805 be established by the commission, regardless of whether the  
806 identity of the patron is known, the gaming licensee shall  
807 maintain a record of the obligation in accordance with the rules  
808 of the commission.

809 (2) If the patron does not claim the money in the account  
810 within one (1) year of the last date of activity by the patron  
811 with respect to his or her Internet wagering account, which date  
812 shall be established in accordance with the rules of the  
813 commission, the obligation of the gaming licensee to pay the



814 patron shall expire. Fifty percent (50%) of the money in the  
815 account shall be paid by the gaming licensee to the Mississippi  
816 Gaming Commission Fund created in Section 75-76-325. Fifty  
817 percent (50%) shall be retained by the gaming licensee, provided  
818 that the licensee uses the full amount for marketing the State of  
819 Mississippi as a tourist destination. A gaming licensee shall  
820 attempt to contact the account holder of a dormant or inactive  
821 Internet wagering account in accordance with the regulations of  
822 the commission before closing or liquidating an Internet wagering  
823 account under this section.

824 **SECTION 17.** In addition to the license fees imposed in  
825 Section 75-76-177, a license fee shall be imposed on the Internet  
826 wagering gross revenues per calendar month of a gaming licensee in  
827 the amount of five percent (5%) of such revenues. An amount equal  
828 to seventy-five percent (75%) of such license fees on Internet  
829 wagering gross revenues shall be paid into the Mississippi Gaming  
830 Commission Fund created in Section 75-76-325. An amount equal to  
831 twenty-five percent (25%) of such license fees on Internet  
832 wagering gross revenues shall be paid into the State General Fund.

833 **SECTION 18.** (1) It is unlawful for any person to offer  
834 games into play or display such games through the Internet without  
835 approval of the commission.

836 (2) A person is guilty of unlawful Internet gambling when  
837 the person:



838 (a) Knowingly causes, engages in or permits any  
839 gambling activity prohibited under Sections 1 through 19 of this  
840 act through the Internet from any point within the state, whether  
841 the gambling activity is conducted within or without the state; or

842 (b) Manages, supervises, controls, operates or owns any  
843 operation that conducts any gambling activity prohibited under  
844 Sections 1 through 19 of this act through the Internet from any  
845 point within the state, during which time the person knowingly  
846 causes or permits any gambling activity prohibited under this  
847 chapter, whether the gambling activity is conducted within or  
848 without the state.

849 (3) Any person who is convicted of violating the provisions  
850 of subsection (2) of this section shall be punished as follows:

851 (a) For a violation of paragraph (a) of subsection (2)  
852 of this section, he shall be imprisoned in the county jail for up  
853 to ninety (90) days or fined up to Ten Thousand Dollars  
854 (\$10,000.00), or both.

855 (b) For a violation of paragraph (b) of subsection (2)  
856 of this section, he shall be imprisoned in the State Penitentiary  
857 for up to ten (10) years or fined up to One Hundred Thousand  
858 Dollars (\$100,000.00), or both. In the case of a person other  
859 than a natural person, for each violation, the person shall be  
860 fined up to Two Hundred Fifty Thousand Dollars (\$250,000.00).

861 (4) In addition to fines, imprisonment, or both, any person  
862 or entity convicted of an offense under this section shall forfeit



863 to the State of Mississippi such person's or entity's right,  
864 title, and interest in and to the following:

865 (a) Any website, domain name, online property, computer  
866 systems, hardware, software or other property used in the  
867 violation of this act;

868 (b) Any property, real or personal, constituting or  
869 traceable to gross profits or other proceeds obtained from such  
870 offense; and

871 (c) Any property, real or personal, used or intended to  
872 be used to commit or to promote the commission of such offense or  
873 any property traceable to such property.

874 **SECTION 19.** The commission may develop and enter into  
875 interstate and international compacts for online gaming. Eligible  
876 compact partners include other states, foreign governments, tribal  
877 areas, and any governmental unit of a national, state or local  
878 body exercising governmental functions, other than the United  
879 States government. The commission may enter into such compacts  
880 with the respective department, agency or instrumentality of the  
881 governmental unit that has authority over gaming activities.

882 **SECTION 20.** Section 75-76-5, Mississippi Code of 1972, is  
883 amended as follows:

884 75-76-5. (1) As used in this chapter, unless the context  
885 requires otherwise:

886 (a) "Applicant" means any person who has applied for or  
887 is about to apply for a state gaming license, registration or



888 finding of suitability under the provisions of this chapter or  
889 approval of any act or transaction for which approval is required  
890 or permitted under the provisions of this chapter.

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

897 (c) "Associated equipment" means any equipment or  
898 mechanical, electromechanical or electronic contrivance, component  
899 or machine used remotely or directly in connection with gaming or  
900 with any game, race book or sports pool that would not otherwise  
901 be classified as a gaming device, including dice, playing cards,  
902 links which connect to progressive slot machines, equipment which  
903 affects the proper reporting of gross revenue, computerized  
904 systems of betting at a race book or sports pool, computerized  
905 systems for monitoring slot machines, and devices for weighing or  
906 counting money.

907 (d) "Chairman" means the Chairman of the Mississippi  
908 Gaming Commission except when used in the term "Chairman of the  
909 State Tax Commission." "Chairman of the State Tax Commission" or  
910 "commissioner" means the Commissioner of Revenue of the Department  
911 of Revenue.



912 (e) "Commission" or "Mississippi Gaming Commission"  
913 means the Mississippi Gaming Commission.

914 (f) "Commission member" means a member of the  
915 Mississippi Gaming Commission.

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

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

923 (i) "Establishment" means any premises wherein or  
924 whereon any gaming is done.

925 (j) "Executive director" means the Executive Director  
926 of the Mississippi Gaming Commission.

927 (k) Except as otherwise provided by law, "game," or  
928 "gambling game" means any banking or percentage game played with  
929 cards, with dice or with any mechanical, electromechanical or  
930 electronic device or machine for money, property, checks, credit  
931 or any representative of value, including, without limiting, the  
932 generality of the foregoing, faro, monte, roulette, keno, fan-tan,  
933 twenty-one, blackjack, seven-and-a-half, big injun, klondike,  
934 craps, poker, chuck-a-luck (dai shu), wheel of fortune, chemin de  
935 fer, baccarat, pai gow, beat the banker, panguingui, slot machine,  
936 Internet game as provided for in Sections 1 through 19 of this



937 act, or any other game or device approved by the commission.  
938 However, "game" or "gambling game" shall not include bingo games  
939 or raffles which are held pursuant to the provisions of Section  
940 97-33-51, or the illegal gambling activities described in Section  
941 97-33-8.

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

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

948 (m) "Gaming device" means any mechanical,  
949 electromechanical or electronic contrivance, component or machine  
950 used in connection with gaming or any game which affects the  
951 result of a wager by determining win or loss. The term includes a  
952 system for processing information which can alter the normal  
953 criteria of random selection, which affects the operation of any  
954 game, or which determines the outcome of a game. The term does  
955 not include a system or device which affects a game solely by  
956 stopping its operation so that the outcome remains undetermined,  
957 and does not include any antique coin machine as defined in  
958 Section 27-27-12.

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



- 962 (i) Boxmen;
- 963 (ii) Cashiers;
- 964 (iii) Change personnel;
- 965 (iv) Counting room personnel;
- 966 (v) Dealers;
- 967 (vi) Floormen;
- 968 (vii) Hosts or other persons empowered to extend  
969 credit or complimentary services;
- 970 (viii) Keno runners;
- 971 (ix) Keno writers;
- 972 (x) Machine mechanics;
- 973 (xi) Security personnel;
- 974 (xii) Shift or pit bosses;
- 975 (xiii) Shills;
- 976 (xiv) Supervisors or managers; and
- 977 (xv) Ticket writers.

978 The term "gaming employee" also includes employees of  
979 manufacturers or distributors of gaming equipment within this  
980 state whose duties are directly involved with the manufacture,  
981 repair or distribution of gaming equipment.

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





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

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

993                   (i) Cash received as winnings;

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

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

998           For the purposes of this definition, cash or the value of  
999 noncash prizes awarded to patrons in a contest or tournament are  
1000 not losses.

1001           The term does not include:

1002                   (i) Counterfeit money or tokens;

1003                   (ii) Coins of other countries which are received  
1004 in gaming devices;

1005                   (iii) Cash taken in fraudulent acts perpetrated  
1006 against a licensee for which the licensee is not reimbursed; or

1007                   (iv) Cash received as entry fees for contests or  
1008 tournaments in which the patrons compete for prizes.



1009           (q) "Hearing examiner" means a member of the  
1010 Mississippi Gaming Commission or other person authorized by the  
1011 commission to conduct hearings.

1012           (r) "Investigation division" means a particular  
1013 division supervised by the executive director that provides  
1014 investigative functions.

1015           (s) "License" means a gaming license or a  
1016 manufacturer's, seller's or distributor's license.

1017           (t) "Licensee" means any person to whom a valid license  
1018 has been issued.

1019           (u) "License fees" means monies required by law to be  
1020 paid to obtain or continue a gaming license or a manufacturer's,  
1021 seller's or distributor's license.

1022           (v) "Licensed gaming establishment" means any premises  
1023 licensed pursuant to the provisions of this chapter wherein or  
1024 whereon gaming is done.

1025           (w) "Manufacturer's," "seller's" or "distributor's"  
1026 license means a license issued pursuant to Section 75-76-79.

1027           (x) "Navigable waters" shall have the meaning ascribed  
1028 to such term under Section 27-109-1.

1029           (y) "Operation" means the conduct of gaming.

1030           (z) "Party" means the Mississippi Gaming Commission and  
1031 any licensee or other person appearing of record in any proceeding  
1032 before the commission; or the Mississippi Gaming Commission and  
1033 any licensee or other person appearing of record in any proceeding



1034 for judicial review of any action, decision or order of the  
1035 commission.

1036 (aa) "Person" includes any association, corporation,  
1037 firm, partnership, trust or other form of business association as  
1038 well as a natural person.

1039 (bb) "Premises" means land, together with all  
1040 buildings, improvements and personal property located thereon, and  
1041 includes all parts of any vessel or cruise vessel.

1042 (cc) "Race book" means the business of accepting wagers  
1043 upon the outcome of any event held at a track which uses the  
1044 pari-mutuel system of wagering.

1045 (dd) "Regulation" means a rule, standard, directive or  
1046 statement of general applicability which effectuates law or policy  
1047 or which describes the procedure or requirements for practicing  
1048 before the commission. The term includes a proposed regulation  
1049 and the amendment or repeal of a prior regulation but does not  
1050 include:

1051 (i) A statement concerning only the internal  
1052 management of the commission and not affecting the rights or  
1053 procedures available to any licensee or other person;

1054 (ii) A declaratory ruling;

1055 (iii) An interagency memorandum;

1056 (iv) The commission's decision in a contested case  
1057 or relating to an application for a license; or



1058 (v) Any notice concerning the fees to be charged  
1059 which are necessary for the administration of this chapter.

1060 (ee) "Respondent" means any licensee or other person  
1061 against whom a complaint has been filed with the commission.

1062 (ff) "Slot machine" means any mechanical, electrical or  
1063 other device, contrivance or machine which, upon insertion of a  
1064 coin, token or similar object, or upon payment of any  
1065 consideration, is available to play or operate, the play or  
1066 operation of which, whether by reason of the skill of the operator  
1067 or application of the element of chance, or both, may deliver or  
1068 entitle the person playing or operating the machine to receive  
1069 cash, premiums, merchandise, tokens or anything of value, whether  
1070 the payoff is made automatically from the machine or in any other  
1071 manner. The term does not include any antique coin machine as  
1072 defined in Section 27-27-12.

1073 (gg) "Sports pool" means the business of accepting  
1074 wagers on sporting events, except for athletic events, by any  
1075 system or method of wagering other than the system known as the  
1076 "pari-mutuel method of wagering."

1077 (hh) "State Tax Commission" or "department" means the  
1078 Department of Revenue of the State of Mississippi.

1079 (ii) "Temporary work permit" means a work permit which  
1080 is valid only for a period not to exceed ninety (90) days from its  
1081 date of issue and which is not renewable.



1082 (jj) "Vessel" or "cruise vessel" shall have the  
1083 meanings ascribed to such terms under Section 27-109-1.

1084 (kk) "Work permit" means any card, certificate or  
1085 permit issued by the commission, whether denominated as a work  
1086 permit, registration card or otherwise, authorizing the employment  
1087 of the holder as a gaming employee. A document issued by any  
1088 governmental authority for any employment other than gaming is not  
1089 a valid work permit for the purposes of this chapter.

1090 (ll) "School or training institution" means any school  
1091 or training institution which is licensed by the commission to  
1092 teach or train gaming employees pursuant to Section 75-76-34.

1093 (mm) "Cheat" means to alter the selection of criteria  
1094 that determine:

1095 (i) The rules of a game; or

1096 (ii) The amount or frequency of payment in a game.

1097 (nn) "Promotional activity" means an activity or event  
1098 conducted or held for the purpose of promoting or marketing the  
1099 individual licensed gaming establishment that is engaging in the  
1100 promotional activity. The term includes, but is not limited to, a  
1101 game of any kind other than as defined in paragraph (k) of this  
1102 section, a tournament, a contest, a drawing, or a promotion of any  
1103 kind.

1104 (2) In addition to the definitions set forth in subsection  
1105 (1) of this section, the definitions set forth in Section 3 of



1106 this act shall apply to lawful Internet gaming as authorized in  
1107 Sections 1 through 19 of this act.

1108         **SECTION 21.** Section 75-76-33, Mississippi Code of 1972, is  
1109 amended as follows:

1110             75-76-33. (1) The commission shall, from time to time,  
1111 adopt, amend or repeal such regulations, consistent with the  
1112 policy, objects and purposes of this chapter, as it may deem  
1113 necessary or desirable in the public interest in carrying out the  
1114 policy and provisions of this chapter. The commission shall  
1115 comply with the Mississippi Administrative Procedures Law when  
1116 adopting, amending or repealing any regulations authorized under  
1117 this section or under any other provision of this chapter.

1118             (2) These regulations shall, without limiting the general  
1119 powers herein conferred, include the following:

1120                 (a) Prescribing the method and form of application  
1121 which any applicant for a license or for a manufacturer's,  
1122 seller's or distributor's license must follow and complete before  
1123 consideration of his application by the executive director or the  
1124 commission.

1125                 (b) Prescribing the information to be furnished by any  
1126 applicant or licensee concerning his antecedents, habits,  
1127 character, associates, criminal record, business activities and  
1128 financial affairs, past or present.

1129                 (c) Prescribing the information to be furnished by a  
1130 licensee relating to his employees.



1131 (d) Requiring fingerprinting of an applicant or  
1132 licensee, and gaming employees of a licensee, or other methods of  
1133 identification and the forwarding of all fingerprints taken  
1134 pursuant to regulation of the Federal Bureau of Investigation.

1135 (e) Prescribing the manner and procedure of all  
1136 hearings conducted by the commission or any hearing examiner of  
1137 the commission, including special rules of evidence applicable  
1138 thereto and notices thereof.

1139 (f) Requiring any applicant to pay all or any part of  
1140 the fees and costs of investigation of such applicant as may be  
1141 determined by the commission under paragraph (g) of this  
1142 subsection (2).

1143 (g) Prescribing the amounts of investigative fees only  
1144 as authorized by regulations of the commission under paragraph (f)  
1145 of this subsection, and collecting those fees. The commission  
1146 shall adopt regulations setting the amounts of those fees at  
1147 levels that will provide the commission with sufficient revenue,  
1148 when combined with any other monies as may be deposited into the  
1149 Mississippi Gaming Commission Fund created in Section 75-76-325,  
1150 to carry out the provisions of this chapter without any state  
1151 general funds. In calculating the amount of such fees, the  
1152 commission shall:

1153 (i) Attempt to set the fees at levels that will  
1154 create a balance in the Mississippi Gaming Commission Fund that  
1155 does not exceed, at the end of any state fiscal year, two percent



1156 (2%) of the projected amount of funds that will provide the  
1157 commission with such sufficient revenue; and

1158 (ii) Demonstrate the reasonableness of the  
1159 relationship between a fee and the actual costs of the  
1160 investigative activity for which the fee is being prescribed.

1161 (h) Prescribing the manner and method of collection and  
1162 payment of fees and issuance of licenses.

1163 (i) Prescribing under what conditions a licensee may be  
1164 deemed subject to revocation or suspension of his license.

1165 (j) Requiring any applicant or licensee to waive any  
1166 privilege with respect to any testimony at any hearing or meeting  
1167 of the commission, except any privilege afforded by the  
1168 Constitution of the United States or this state.

1169 (k) Defining and limiting the area, games and devices  
1170 permitted, and the method of operation of such games and devices,  
1171 for the purposes of this chapter.

1172 (l) Prescribing under what conditions the nonpayment of  
1173 a gambling debt by a licensee shall be deemed grounds for  
1174 revocation or suspension of his license.

1175 (m) Governing the use and approval of gambling devices  
1176 and equipment.

1177 (n) Prescribing the qualifications of, and the  
1178 conditions under which, attorneys, accountants and others are  
1179 permitted to practice before the commission.





1180 (o) Restricting access to confidential information  
1181 obtained under this chapter and ensuring that the confidentiality  
1182 of such information is maintained and protected.

1183 (p) Prescribing the manner and procedure by which the  
1184 executive director on behalf of the commission shall notify a  
1185 county or a municipality wherein an applicant for a license  
1186 desires to locate.

1187 (q) Prescribing the manner and procedure for an  
1188 objection to be filed with the commission and the executive  
1189 director by a county or municipality wherein an applicant for a  
1190 license desires to locate.

1191 (3) Notwithstanding any other provision of law, each  
1192 licensee shall be required to comply with the following  
1193 regulations:

1194 (a) No wagering shall be allowed on the outcome of any  
1195 athletic event, nor on any matter to be determined during an  
1196 athletic event, nor on the outcome of any event, which does not  
1197 take place on the premises, except as may be otherwise permitted  
1198 under Sections 1 through 19 of this act pertaining to lawful  
1199 Internet gaming.

1200 (b) No wager may be placed by, or on behalf of, any  
1201 individual or entity or group, not present on a licensed vessel or  
1202 cruise vessel.

1203 **SECTION 22.** Section 75-76-67, Mississippi Code of 1972, is  
1204 brought forward as follows:



1205           75-76-67. (1) Any person who the commission determines is  
1206 qualified to receive a license or be found suitable under the  
1207 provisions of this chapter, having due consideration for the  
1208 proper protection of the health, safety, morals, good order and  
1209 general welfare of the inhabitants of the State of Mississippi and  
1210 the declared policy of this state, may be issued a state gaming  
1211 license or found suitable. The burden of proving his  
1212 qualification to receive any license or be found suitable is on  
1213 the applicant.

1214           (2) An application to receive a license or be found suitable  
1215 shall not be granted unless the commission is satisfied that the  
1216 applicant is:

1217                   (a) A person of good character, honesty and integrity;

1218                   (b) A person whose prior activities, criminal record,  
1219 if any, reputation, habits and associations do not pose a threat  
1220 to the public interest of this state or to the effective  
1221 regulation and control of gaming, or create or enhance the dangers  
1222 of unsuitable, unfair or illegal practices, methods and activities  
1223 in the conduct of gaming or the carrying on of the business and  
1224 financial arrangements incidental thereto; and

1225                   (c) In all other respects qualified to be licensed or  
1226 found suitable consistent with the declared laws of the state.

1227           (3) No person shall be granted a license or found suitable  
1228 under the provisions of this chapter who has been convicted of a  
1229 felony in any court of this state, another state, or the United



1230 States; and no person shall be granted a license or found suitable  
1231 hereunder who has been convicted of a crime in any court of  
1232 another state or the United States which, if committed in this  
1233 state, would be a felony; and no person shall be granted a license  
1234 or found suitable under the provisions of this chapter who has  
1235 been convicted of a misdemeanor in any court of this state or of  
1236 another state, when such conviction was for gambling, sale of  
1237 alcoholic beverages to minors, prostitution, or procuring or  
1238 inducing individuals to engage in prostitution.

1239 (4) A license to operate a gaming establishment shall not be  
1240 granted unless the applicant has satisfied the commission that:

1241 (a) He has adequate business probity, competence and  
1242 experience, in gaming or generally; and

1243 (b) The proposed financing of the entire operation is:

1244 (i) Adequate for the nature of the proposed  
1245 operation; and

1246 (ii) From a suitable source. Any lender or other  
1247 source of money or credit which the commission finds does not meet  
1248 the standards set forth in subsection (2) may be deemed  
1249 unsuitable.

1250 (5) An application to receive a license or be found suitable  
1251 constitutes a request for a determination of the applicant's  
1252 general character, integrity and ability to participate or engage  
1253 in, or be associated with gaming. Any written or oral statement  
1254 made in the course of an official proceeding of the commission or



1255 the executive director or any witness testifying under oath which  
1256 is relevant to the purpose of the proceeding is absolutely  
1257 privileged and does not impose liability for defamation or  
1258 constitute a ground for recovery in any civil action.

1259 (6) The commission may, in its discretion, grant a license  
1260 to a corporation which has complied with the provisions of this  
1261 chapter.

1262 (7) The commission may, in its discretion, grant a license  
1263 to a limited partnership which has complied with the provisions of  
1264 this chapter.

1265 (8) No limited partnership, except one whose sole limited  
1266 partner is a publicly traded corporation which has registered with  
1267 the commission, or business trust or organization or other  
1268 association of a quasi-corporate character is eligible to receive  
1269 or hold any license under this chapter unless all persons having  
1270 any direct or indirect interest therein of any nature whatsoever,  
1271 whether financial, administrative, policymaking or supervisory,  
1272 are individually qualified to be licensed under the provisions of  
1273 this chapter.

1274 (9) The commission may, by regulation, limit the number of  
1275 persons who may be financially interested and the nature of their  
1276 interest in any corporation or other organization or association  
1277 licensed under this chapter, and may establish such other  
1278 qualifications of licenses as the commission, in its discretion,



1279 deems to be in the public interest and consistent with the  
1280 declared policy of the state.

1281           **SECTION 23.** Section 75-76-79, Mississippi Code of 1972, is  
1282 amended as follows:

1283           75-76-79. (1) (a) Except as otherwise provided in  
1284 paragraphs (b) and (c) of this subsection, it is unlawful for any  
1285 person, either as owner, lessee or employee, whether for hire or  
1286 not, to operate, carry on, conduct or maintain any form of  
1287 manufacture, selling or distribution of any gaming device for use  
1288 or play in Mississippi or for distribution outside of Mississippi  
1289 without first procuring and maintaining all required federal and  
1290 state licenses.

1291           (b) A lessor who specifically acquires equipment for a  
1292 capital lease is not required to be licensed under this section.

1293           (c) The holder of a state gaming license or the holding  
1294 company of a corporate licensee may, within two (2) years after  
1295 cessation of business or upon specific approval by the executive  
1296 director, dispose of by sale in a manner approved by the executive  
1297 director, any or all of its gaming devices, including slot  
1298 machines, without a distributor's license. In cases of bankruptcy  
1299 of a state gaming licensee or foreclosure of a lien by a bank or  
1300 other person holding a security interest for which gaming devices  
1301 are security, in whole or in part, for the lien, the executive  
1302 director may authorize the disposition of the gaming devices  
1303 without requiring a distributor's license.



1304           (d) Any person whom the commission determines is a  
1305 suitable person to receive a license under the provisions of this  
1306 section may be issued a manufacturer's or distributor's license.  
1307 The burden of proving his qualification to receive or hold a  
1308 license under this section is at all times on the applicant or  
1309 licensee.

1310           (e) Every person who must be licensed pursuant to this  
1311 section is subject to the provisions of Sections 75-76-199 through  
1312 75-76-265, unless exempted from those provisions by the  
1313 commission.

1314           (f) The commission may exempt, for any purpose, a  
1315 manufacturer, seller or distributor from the provisions of  
1316 Sections 75-76-199 through 75-76-265, if the commission determines  
1317 that the exemption is consistent with the purposes of this  
1318 chapter.

1319           (g) As used in this section, "holding company" has the  
1320 meaning ascribed to it in Section 75-76-199.

1321           (2) If the commission determines that a manufacturer or  
1322 distributor is unsuitable to receive or hold a license:

1323           (a) No new gaming device or associated equipment  
1324 manufactured by the manufacturer or distributed by the distributor  
1325 may be approved;

1326           (b) Any previously approved device or associated  
1327 equipment manufactured by the manufacturer or distributed by the  
1328 distributor is subject to revocation of approval if the reasons



1329 for the denial of the license also apply to that device or  
1330 associated equipment;

1331 (c) No new device or associated equipment manufactured  
1332 by the manufacturer or distributed by the distributor may be sold,  
1333 transferred or offered for use or play in Mississippi; and

1334 (d) Any association or agreement between the  
1335 manufacturer or distributor and a licensee must be terminated,  
1336 unless otherwise provided by the commission. An agreement between  
1337 such a manufacturer or distributor of gaming devices or associated  
1338 equipment and a licensee shall be deemed to include a provision  
1339 for its termination without liability on the part of the licensee  
1340 upon a finding by the commission that the manufacturer is  
1341 unsuitable to be associated with a gaming enterprise. Failure to  
1342 include that condition in the agreement is not a defense in any  
1343 action brought pursuant to this section to terminate the  
1344 agreement.

1345 (3) Failure of a licensee to terminate any association or  
1346 agreement with a manufacturer or distributor of gaming devices or  
1347 associated equipment after receiving notice of a determination of  
1348 unsuitability, the denial of a license or failure to file a timely  
1349 application for a license, is an unsuitable method of operation.

1350 (4) There is hereby imposed and levied on each applicant for  
1351 a manufacturer's, seller's or distributor's license under this  
1352 section an annual license fee in the following amount:



1353 (a) For the issuance or continuation of a  
1354 manufacturer's license, One Thousand Dollars (\$1,000.00).

1355 (b) For the issuance or continuation of a seller's or  
1356 distributor's license, Five Hundred Dollars (\$500.00).

1357 This fee is to be paid by the applicant to the \* \* \*  
1358 Department of Revenue on or before the filing of the application  
1359 for a manufacturer's, seller's or distributor's license by the  
1360 applicant. Upon such payment the \* \* \* Commissioner of Revenue  
1361 shall certify to the executive director that such fee has been  
1362 paid by the applicant.

1363 Except for those amounts that a person issued a  
1364 manufacturer's license under this section may charge for goods  
1365 supplied or services rendered, the person holding the  
1366 manufacturer's license may not be directly reimbursed by a holder  
1367 of a gaming license for the cost of any fee paid by the person for  
1368 the issuance or continuation of such a license, whether imposed  
1369 under this section or any other provision of this chapter.

1370 (5) A manufacturer or distributor of associated equipment  
1371 who sells, transfers or offers the associated equipment for use or  
1372 play in Mississippi may be required by the executive director to  
1373 file an application for a finding of suitability to be a  
1374 manufacturer or distributor of associated equipment.

1375 Any person who directly or indirectly involves himself in the  
1376 sale, transfer or offering for use or play in Mississippi of  
1377 associated equipment who is not otherwise required to be licensed





1378 as a manufacturer or distributor may be required by the executive  
1379 director to file an application for a finding of suitability to be  
1380 a manufacturer or distributor of associated equipment.

1381 If an application for a finding of suitability is not  
1382 submitted within thirty (30) days after demand by the executive  
1383 director, he may pursue any remedy or combination of remedies  
1384 provided in this chapter.

1385 (6) The executive director and his employees may inspect  
1386 every gaming device which is manufactured, sold or distributed:

1387 (a) For use in this state, before the gaming device is  
1388 put into play.

1389 (b) In this state for use outside this state, before  
1390 the gaming device is shipped out of this state.

1391 The executive director may inspect every gaming device which  
1392 is offered for play within this state by a licensee.

1393 The executive director may inspect all associated equipment  
1394 which is manufactured, sold or distributed for use in this state  
1395 before the equipment is installed or used by a gaming licensee.

1396 In addition to all other fees and charges imposed by this  
1397 chapter, the executive director may determine an inspection fee  
1398 with regard to each manufacturer, seller or distributor which must  
1399 not exceed the actual cost of inspection and investigation. Upon  
1400 such determination, the executive director shall certify to  
1401 the \* \* \* Commissioner of Revenue the amount of the inspection fee  
1402 and the name and address of the applicant. Upon such



1403 certification the \* \* \* Department of Revenue shall proceed to  
1404 assess and collect such inspection fee from the applicant.

1405       **SECTION 24.** Section 75-76-81, Mississippi Code of 1972, is  
1406 amended as follows:

1407       75-76-81. Except as otherwise provided in this section, the  
1408 Chairman of the State Tax Commission shall assess and collect all  
1409 taxes, fees, licenses, interest, penalties, damages and fines  
1410 imposed by this chapter, and is hereby empowered to promulgate  
1411 rules and regulations to administer such collections. Any records  
1412 or other documents submitted by the licensee, or on his behalf, to  
1413 the Mississippi Gaming Commission or executive director shall be  
1414 made available to the Chairman of the State Tax Commission or his  
1415 authorized agent upon written request.

1416       The gross revenue fees levied by this chapter shall be due  
1417 and payable on or before the twentieth day of the month next  
1418 succeeding the month in which the fees accrue except as otherwise  
1419 provided. The licensee shall make a return showing the gross  
1420 revenue and compute the fee due for the period.

1421       Except for fees imposed under Section 75-76-33(2)(f), all  
1422 administrative provisions of the sales tax law, and amendments  
1423 thereto, including those which provide for collection and  
1424 administrative appeals procedures, fix damages, penalties and  
1425 interest for failure to comply with the provisions of said sales  
1426 tax law, and all other requirements and duties imposed upon any  
1427 licensee or taxpayer, shall apply to all persons liable for taxes,



1428 fees and all other monies imposed under the provisions of this  
1429 chapter. However, fines or other assessments levied by the  
1430 Mississippi Gaming Commission or the executive director will not  
1431 be considered due and payable until thirty (30) days after final  
1432 determination of such fines or assessments. The Chairman of the  
1433 State Tax Commission shall exercise all power and authority and  
1434 perform all duties with respect to licensees or taxpayers under  
1435 this chapter as are provided in said sales tax law, except where  
1436 there is conflict, then the provisions of this chapter shall  
1437 control.

1438         The Mississippi Gaming Commission shall assess and collect  
1439 all fees imposed under Section 75-76-33(2)(f) and shall deposit  
1440 the funds received from the fees into the Mississippi Gaming  
1441 Commission Fund created in Section 75-76-325. The commission  
1442 shall also assess and collect all fees imposed under Sections 1  
1443 through 19 of this act and shall deposit the funds received from  
1444 the fees in the manner prescribed under Sections 1 through 19 of  
1445 this act.

1446         The determination and/or assessment of any taxes, fees,  
1447 licenses, interest, penalties, damages and fines under this  
1448 chapter by the Chairman of the State Tax Commission, the Executive  
1449 Director of the Mississippi Gaming Commission or the Mississippi  
1450 Gaming Commission shall be prima facie correct.

1451         **SECTION 25.** Section 75-76-101, Mississippi Code of 1972, is  
1452 amended as follows:



1453           75-76-101. (1) Except as otherwise provided in Sections 1  
1454 through 19 of this act, all gaming must be conducted with chips,  
1455 tokens or other instrumentalities approved by the executive  
1456 director or with the legal tender of the United States.

1457           (2) Except as otherwise provided in Sections 1 through 19 of  
1458 this act, no licensee shall permit participation by a person in a  
1459 game conducted in the licensed gaming establishment if such person  
1460 is not physically present in the licensed gaming establishment  
1461 during the period of time when such game is being conducted, and  
1462 all games and the participation of patrons therein shall be  
1463 entirely located and conducted on the licensed premises.

1464           **SECTION 26.** Section 75-76-129, Mississippi Code of 1972, is  
1465 amended as follows:

1466           **[Through June 30, 2022, this section shall read as follows:]**

1467           75-76-129. On or before the last day of each month all  
1468 taxes, fees, interest, penalties, damages, fines or other monies  
1469 collected by the \* \* \* Department of Revenue during that month  
1470 under the provisions of this chapter, with the exception of (a)  
1471 the local government fees imposed under Section 75-76-195, and (b)  
1472 an amount equal to Three Million Dollars (\$3,000,000.00) of the  
1473 revenue collected pursuant to the fee imposed under Section  
1474 75-76-177(1)(c) shall be paid by the \* \* \* Department of Revenue  
1475 to the State Treasurer to be deposited in the State General Fund.  
1476 The local government fees shall be distributed by the \* \* \*  
1477 Department of Revenue pursuant to Section 75-76-197. An amount



1478 equal to Three Million Dollars (\$3,000,000.00) of the revenue  
1479 collected during that month pursuant to the fee imposed under  
1480 Section 75-76-177(1)(c) shall be deposited by the \* \* \* Department  
1481 of Revenue into the bond sinking fund created in Section 65-39-3.

1482 **[From and after July 1, 2022, this section shall read as**  
1483 **follows:]**

1484 75-76-129. On or before the last day of each month, all  
1485 taxes, fees, interest, penalties, damages, fines or other monies  
1486 collected by the \* \* \* Department of Revenue during that month  
1487 under the provisions of this chapter, with the exception of the  
1488 local government fees imposed under Section 75-76-195, shall be  
1489 paid by the \* \* \* Department of Revenue to the State Treasurer to  
1490 be deposited in the State General Fund. The local government fees  
1491 shall be distributed by the \* \* \* Department of Revenue pursuant  
1492 to Section 75-76-197.

1493 **SECTION 27.** Section 75-76-155, Mississippi Code of 1972, is  
1494 amended as follows:

1495 75-76-155. (1) A person under the age of twenty-one (21)  
1496 years shall not:

1497 (a) Play, be allowed to play, place wagers, or collect  
1498 winnings, whether personally or through an agent, from any gaming  
1499 authorized under this chapter.

1500 (b) Be employed as a gaming employee.

1501 (2) Except as otherwise provided in Sections 1 through 19 of  
1502 this act, any licensee, employee, dealer or other person who



1503 violates or permits the violation of any of the provisions of this  
1504 section, and any person under twenty-one (21) years of age who  
1505 violates any of the provisions of this section shall, upon  
1506 conviction, be punished by a fine of not more than One Thousand  
1507 Dollars (\$1,000.00) or imprisoned in the county jail not more than  
1508 six (6) months, or by both such fine and imprisonment.

1509 (3) Except as otherwise provided in Sections 1 through 19 of  
1510 this act, in any prosecution or other proceeding for the violation  
1511 of any of the provisions of this section, it is no excuse for the  
1512 licensee, employee, dealer or other person to plead that he  
1513 believed the person to be twenty-one (21) years old or over.

1514 **SECTION 28.** Section 75-76-157, Mississippi Code of 1972, is  
1515 amended as follows:

1516 75-76-157. (1) Except as provided in Sections 75-76-159  
1517 through 75-76-165, and in Sections 1 through 19 of this act,  
1518 inclusive, gaming debts not evidenced by a credit instrument are  
1519 void and unenforceable and do not give rise to any administrative  
1520 or civil cause of action.

1521 (2) Except as otherwise provided in Sections 1 through 19 of  
1522 this act, a claim by a patron of a licensee for payment of a  
1523 gaming debt not evidenced by a credit instrument, and a dispute  
1524 between a licensee and a patron associated with a promotional  
1525 activity as defined in Section 75-76-5(mm), shall be resolved by  
1526 the executive director in accordance with Sections 75-76-159  
1527 through 75-76-165, inclusive. The resolution of such a claim or



1528 dispute by the executive director shall include any claims for  
1529 alleged winnings or losses, or the award or distribution of cash,  
1530 prizes, benefits, tickets or any other item of value associated  
1531 with the promotional activity, or the manner in which the specific  
1532 event at which the award or distribution from the promotional  
1533 activity is conducted; however, the authority granted under this  
1534 subsection (2) regarding a promotional activity does not provide  
1535 the executive director or the commission with any additional  
1536 authority, not otherwise granted by law, to regulate the  
1537 promotional activity with regard to those matters pertaining  
1538 exclusively to the operational or administrative aspects of the  
1539 promotional activity that occur in advance of such specific event  
1540 at which the award or distribution is conducted.

1541       **SECTION 29.** Section 75-76-177, Mississippi Code of 1972, is  
1542 amended as follows:

1543       75-76-177. (1) From and after August 1, 1990, there is  
1544 hereby imposed and levied on each gaming licensee a license fee  
1545 based upon all the gross revenue of the licensee as follows:

1546           (a) Four percent (4%) of all the gross revenue of the  
1547 licensee which does not exceed Fifty Thousand Dollars (\$50,000.00)  
1548 per calendar month;

1549           (b) Six percent (6%) of all the gross revenue of the  
1550 licensee which exceeds Fifty Thousand Dollars (\$50,000.00) per  
1551 calendar month and does not exceed One Hundred Thirty-four  
1552 Thousand Dollars (\$134,000.00) per calendar month; and



1553 (c) Eight percent (8%) of all the gross revenue of the  
1554 licensee which exceeds One Hundred Thirty-four Thousand Dollars  
1555 (\$134,000.00) per calendar month.

1556 (2) All revenue received from any game or gaming device  
1557 which is leased for operation on the premises of the  
1558 licensee-owner to a person other than the owner thereof or which  
1559 is located in an area or space on such premises which is leased by  
1560 the licensee-owner to any such person, must be attributed to the  
1561 owner for the purposes of this section and be counted as part of  
1562 the gross revenue of the owner. The lessee is liable to the owner  
1563 for his proportionate share of such license fees.

1564 (3) If the amount of license fees required to be reported  
1565 and paid pursuant to this section is later determined to be  
1566 greater or less than the amount actually reported and paid by the  
1567 licensee, the \* \* \* Commissioner of Revenue shall:

1568 (a) Assess and collect the additional license fees  
1569 determined to be due, with interest thereon until paid; or

1570 (b) Refund any overpayment, with interest thereon, to  
1571 the licensee.

1572 Interest must be computed, until paid, at the rate of one  
1573 percent (1%) per month from the first day of the first month  
1574 following either the due date of the additional license fees or  
1575 the date of overpayment.





1576 (4) Failure to pay the fees provided for in this section  
1577 when they are due for continuation of a license shall be deemed a  
1578 surrender of the license.

1579 (5) All fees imposed under the provisions of Sections 1  
1580 through 19 of this act shall be in addition to the fees imposed  
1581 under subsections (1) through (4) of this section.

1582 **SECTION 30.** Section 75-76-191, Mississippi Code of 1972, is  
1583 amended as follows:

1584 75-76-191. (1) In addition to any other state gaming  
1585 license fees provided for in this chapter, from and after August  
1586 1, 1990, there is hereby imposed and levied on each applicant for  
1587 a state gaming license a license fee to be determined on the basis  
1588 of the following annual rates:

1589 (a) From establishments operating or to operate ten  
1590 (10) games or less:

1591 (i) Those establishments operating or to operate  
1592 one (1) game, the sum of Fifty Dollars (\$50.00).

1593 (ii) Those establishments operating or to operate  
1594 two (2) games, the sum of One Hundred Dollars (\$100.00).

1595 (iii) Those establishments operating or to operate  
1596 three (3) games, the sum of Two Hundred Dollars (\$200.00).

1597 (iv) Those establishments operating or to operate  
1598 four (4) games, the sum of Three Hundred Seventy-five Dollars  
1599 (\$375.00).



1600                   (v) Those establishments operating or to operate  
1601 five (5) games, the sum of Eight Hundred Seventy-five Dollars  
1602 (\$875.00).

1603                   (vi) Those establishments operating or to operate  
1604 six (6) or seven (7) games, the sum of One Thousand Five Hundred  
1605 Dollars (\$1,500.00).

1606                   (vii) Those establishments operating or to operate  
1607 eight (8), nine (9) or ten (10) games, the sum of Three Thousand  
1608 Dollars (\$3,000.00).

1609                   (b) From establishments operating or to operate more  
1610 than ten (10) games:

1611                   (i) For each game up to and including sixteen (16)  
1612 games, the sum of Five Hundred Dollars (\$500.00).

1613                   (ii) For each game from seventeen (17) to  
1614 twenty-six (26) games, inclusive, the sum of Four Thousand Eight  
1615 Hundred Dollars (\$4,800.00).

1616                   (iii) For each game from twenty-seven (27) to  
1617 thirty-five (35) games, inclusive, the sum of Two Thousand Eight  
1618 Hundred Dollars (\$2,800.00).

1619                   (iv) For each game more than thirty-five (35)  
1620 games, the sum of One Hundred Dollars (\$100.00).

1621                   (2) The license fee imposed by this section is to be paid by  
1622 the applicant to the \* \* \* Department of Revenue on or before the  
1623 filing of the application for issuance of a gaming license by the  
1624 applicant, and is to be paid annually thereafter for continuation



1625 of the gaming license. Upon such payment, the \* \* \* Executive  
1626 Director of the \* \* \* Department of Revenue shall certify to the  
1627 Executive Director of the Gaming Commission that such fee has been  
1628 paid by the applicant, and the amount of the fee paid.

1629 (3) Card games, that is, stud or draw poker, bridge, whist,  
1630 solo, low ball, and panguingui for money, and slot machines, when  
1631 not utilized as an adjunct to or a unit of any banking, percentage  
1632 or mechanical device or machine, are not gambling games under the  
1633 provisions of this section.

1634 (4) All games operated or conducted in one (1) room or a  
1635 group of rooms in the same or a contiguous building or vessel are  
1636 considered one (1) operation, and the license to be paid must be  
1637 determined on the aggregate number of games in each room or group  
1638 of rooms in the same or a contiguous building or vessel.

1639 (5) All fees imposed under the provisions of Sections 1  
1640 through 19 of this act shall be in addition to the fees imposed  
1641 under subsections (1) through (4) of this section.

1642 **SECTION 31.** Section 75-76-195, Mississippi Code of 1972, is  
1643 amended as follows:

1644 75-76-195. (1) Except as otherwise provided in subsection  
1645 (6) of this section, in addition to any state gaming license fees  
1646 or taxes, from and after August 1, 1990, (a) a municipality may  
1647 impose a fee upon a licensee located within the municipality for  
1648 conducting, carrying on or operating any gambling game, slot  
1649 machine or other game of chance based upon all the gross revenue



1650 of the licensee derived from his establishment within the  
1651 municipality, and (b) a county may impose a fee upon a licensee  
1652 located within the unincorporated area of the county for  
1653 conducting, carrying on or operating any gambling game, slot  
1654 machine or other game of chance based upon all the gross revenue  
1655 of the licensee derived from his establishment within the  
1656 unincorporated area of the county, as follows:

1657 (i) Four-tenths percent (.4%) of all the gross  
1658 revenue which does not exceed Fifty Thousand Dollars (\$50,000.00)  
1659 per calendar month;

1660 (ii) Six-tenths percent (.6%) of all the gross  
1661 revenue which exceeds Fifty Thousand Dollars (\$50,000.00) per  
1662 calendar month and does not exceed One Hundred Thirty-four  
1663 Thousand Dollars (\$134,000.00) per calendar month; and

1664 (iii) Eight-tenths percent (.8%) of all the gross  
1665 revenue of the licensee which exceeds One Hundred Thirty-four  
1666 Thousand Dollars (\$134,000.00) per calendar month.

1667 (2) Whenever a municipality or county imposes a fee under  
1668 this section, it shall not become effective until the first day of  
1669 the month following the month in which the municipality or county  
1670 adopts the ordinance imposing the fee.

1671 (3) All revenue received from any game or gaming device  
1672 which is leased for operation on the premises of the  
1673 licensee-owner to a person other than the owner thereof or which  
1674 is located in an area or space on such premises which is leased by



1675 the licensee-owner to any such person must be attributed to the  
1676 owner for the purposes of this section and be counted as part of  
1677 the gross revenue of the owner. The lessee is liable to the owner  
1678 for his proportionate share of such fees.

1679 (4) If the amount of fees required to be reported and paid  
1680 pursuant to this section is later determined to be greater or less  
1681 than the amount actually reported and paid by the licensee,  
1682 the \* \* \* Department of Revenue on behalf of the local government  
1683 shall:

1684 (a) Assess and collect the additional fees determined  
1685 to be due, with interest thereon until paid; or

1686 (b) Refund any overpayment, with interest thereon, to  
1687 the licensee.

1688 Interest must be computed, until paid, at the rate of one  
1689 percent (1%) per month from the first day of the month following  
1690 either the due date of the additional fees or the date of  
1691 overpayment.

1692 (5) Failure to pay the fees provided for in this section  
1693 when they are due for continuation of a license shall be deemed a  
1694 surrender of the license.

1695 (6) A gaming licensee is not required to pay the fees  
1696 provided for in this section with regard to the operation of  
1697 lawful Internet gaming as authorized in Sections 1 through 19 of  
1698 this act.



1699           **SECTION 32.** Section 75-76-267, Mississippi Code of 1972, is  
1700 brought forward as follows:

1701           75-76-267. (1) Conviction by a court of competent  
1702 jurisdiction of a person for a violation of, an attempt to  
1703 violate, or a conspiracy to violate any of the provisions of this  
1704 chapter shall act as an immediate revocation of all licenses which  
1705 have been issued to the violator, and, in addition, the court may,  
1706 upon application of the district attorney of the county or of the  
1707 commission, order that no new or additional license under this  
1708 chapter be issued to the violator, or be issued to any person for  
1709 the room or premises in which the violation occurred, for one (1)  
1710 year after the date of the revocation.

1711           (2) Any person who willfully fails to report, pay or  
1712 truthfully account for and pay over any license fee or tax imposed  
1713 by the provisions of this chapter, or willfully attempts in any  
1714 manner to evade or defeat any such license fee, tax or payment  
1715 thereof, shall be punished by commitment to the custody of the  
1716 Department of Corrections for not less than one (1) year nor more  
1717 than six (6) years, or by a fine of not more than Five Thousand  
1718 Dollars (\$5,000.00), or by both fine and imprisonment.

1719           (3) Except as provided in subsection (4), any person who  
1720 willfully violates, attempts to violate, or conspires to violate  
1721 any of the provisions of subsection (1) of Section 75-76-57, shall  
1722 be punished by commitment to the custody of the Department of  
1723 Corrections for not less than one (1) year nor more than twenty



1724 (20) years, by a fine of not more than Fifty Thousand Dollars  
1725 (\$50,000.00), or by both fine and imprisonment.

1726 (4) A licensee who puts additional games or slot machines  
1727 into play or displays additional games or slot machines in a  
1728 public area without first obtaining all required licenses and  
1729 approval is subject only to the penalties provided in Sections  
1730 75-76-93 and 75-76-103 and in any applicable ordinance of the  
1731 county or municipality.

1732 (5) The violation of any of the provisions of this chapter,  
1733 the penalty for which is not specifically fixed in this chapter,  
1734 is a misdemeanor.

1735 **SECTION 33.** Section 75-76-301, Mississippi Code of 1972, is  
1736 brought forward as follows:

1737 75-76-301. It is unlawful for any person:

1738 (a) To alter or misrepresent the outcome of a game or  
1739 other event on which wagers have been made after the outcome is  
1740 made sure but before it is revealed to the players.

1741 (b) To place, increase or decrease a bet or to  
1742 determine the course of play after acquiring knowledge, not  
1743 available to all players, of the outcome of the game or any event  
1744 that affects the outcome of the game or that is the subject of the  
1745 bet or to aid anyone in acquiring such knowledge for the purpose  
1746 of placing, increasing or decreasing a bet or determining the  
1747 course of play contingent upon that event or outcome.



1748           (c) To claim, collect or take, or attempt to claim,  
1749 collect or take, money or anything of value in or from a gambling  
1750 game, with intent to defraud, without having made a wager  
1751 contingent thereon, or to claim, collect or take an amount greater  
1752 than the amount won.

1753           (d) Knowingly to entice or induce another to go to any  
1754 place where a gambling game is being conducted or operated in  
1755 violation of the provisions of this chapter, with the intent that  
1756 the other person play or participate in the gambling game.

1757           (e) To place or increase a bet after acquiring  
1758 knowledge of the outcome of the game or other event that is the  
1759 subject of the bet, including past-posting and pressing bets.

1760           (f) To reduce the amount wagered or cancel the bet  
1761 after acquiring knowledge of the outcome of the game or other  
1762 event that is the subject of the bet, including pinching bets.

1763           (g) To manipulate, with the intent to cheat, any  
1764 component of a gaming device in a manner contrary to the designed  
1765 and normal operational purpose for the component, including, but  
1766 not limited to, varying the pull of the handle of a slot machine,  
1767 with knowledge that the manipulation affects the outcome of the  
1768 game or with knowledge of any event that affects the outcome of  
1769 the game.

1770           **SECTION 34.** Section 75-76-303, Mississippi Code of 1972, is  
1771 brought forward as follows:





1772           75-76-303. It is unlawful for any person at a licensed  
1773 gaming establishment to use, or possess with the intent to use,  
1774 any device to assist:

1775           (a) In projecting the outcome of the game;

1776           (b) In keeping track of the cards played;

1777           (c) In analyzing the probability of the occurrence of  
1778 an event relating to the game; or

1779           (d) In analyzing the strategy for playing or betting to  
1780 be used in the game, except as permitted by the commission.

1781           **SECTION 35.** Section 75-76-325, Mississippi Code of 1972, is  
1782 amended as follows:

1783           75-76-325. (1) There is created in the State Treasury a  
1784 special fund to be designated as the "Mississippi Gaming  
1785 Commission Fund." The special fund shall consist of monies  
1786 deposited therein under Section 75-76-81 and Sections 1 through 19  
1787 of this act and monies from any other source designated for  
1788 deposit into the fund. Unexpended amounts remaining in the  
1789 special fund at the end of a fiscal year shall not lapse into the  
1790 State General Fund, and any interest earned or investment earnings  
1791 on amounts in the fund shall be deposited to the credit of the  
1792 fund.

1793           (2) Monies in the special fund may be used by the  
1794 commission, upon appropriation by the Legislature, only for the  
1795 purposes of carrying out the provisions of this chapter.  
1796 Unexpended amounts remaining in the special fund at the end of a



1797 fiscal year shall be used by the commission in calculating the  
1798 amounts of fees to be imposed under Section 75-76-33(2)(f) during  
1799 the next succeeding state fiscal year that will be necessary to  
1800 provide the commission with sufficient revenue, when combined with  
1801 other monies deposited into the special fund, to carry out the  
1802 provisions of this chapter without any state general funds.

1803         **SECTION 36.** The provisions of Sections 1 through 19 of this  
1804 act shall be codified as a separate article in Title 75, Chapter  
1805 76, Mississippi Code of 1972.

1806         **SECTION 37.** This act shall take effect and be in force from  
1807 and after July 1, 2015.

