

CHARITABLE BINGO LAWS



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CHARITABLE BINGO LAW

- 97-33-50 Short Title
- 97-33-51. Exemptions for certain bingo games and raffles.
- 97-33-52. Organizations authorized to conduct bingo games; disposition of proceeds; records and reports.
- 97-33-53. Definitions.
- 97-33-55. License to conduct games; application; person or persons responsible; fee.
- 97-33-57. Investigation of qualifications of applicants for licenses; criteria; term of license; denial, refusal, suspension or revocation of license.
- 97-33-59. Special licenses for emergency financial relief; special charitable limited license requirement.
- 97-33-61. Notice and hearing prerequisites to denial of license; judicial review.
- 97-33-63. Reserved].
- 97-33-65. Commission to control games; entry and inspection by agents; suspension or revocation of license for violations.
- 97-33-67. Length and frequency of sessions; prize limits; designated supervisor responsible for session; purchase of supplies only from licensees; persons under 18 years of age.
- 97-33-69. Active member to conduct games; compensation, rentals and fees regulated; contract to be in writing; furnisher of services or equipment not to conduct games; allowable expenses.
- 97-33-71. Records and reports to Commission.
- 97-33-73. Gaming and Tax Commissions may examine books and records.
- 97-33-75. Violations; sanctions.
- 97-33-77. Regulation of pull-tabs.
- 97-33-79. Regulation of manufacturers of supplies and equipment; license required; sale of supplies only to licensees; gifts, etc.; records and reports.
- 97-33-81. Overlap of financial interest between organizations conducting games and manufacturers, distributors, or lessors.
- 97-33-101. Disposition of fees and fines; Charitable Bingo Fund.
- 97-33-103. Annual report by Commission.
- 97-33-105. Commission personnel not to have interest in organization conducting bingo or manufacturing or distributing supplies or equipment.
- 97-33-107. Functions, duties, and responsibilities of Commission.
- 97-33-109. Monitoring of licensees; enforcement powers and actions; prosecutions; penalties.
- 97-33-111 through 97-33-199. [Reserved].
- 97-33-201. Licensure as manufacturer, distributor, or operator of supplies or equipment or as commercial lessor; application; fee; requirements; denial, refusal to renew, suspension or revocation; grounds.
- 97-33-203. Commercial lessor's license; rental rates and other charges allowable; length and frequency of rentals; agreements with distributors.

§ 97-33-50. Short title The provisions of Sections 97-33-51 through 97-33-81, 97-33-101 through 97-33-109, 97-33-201 and 97-33-203, Mississippi Code of 1972, may be cited as the "Charitable Bingo Law."

Sources: Laws, 1992, ch. 581, § 8; Laws, 1994, ch. 635, § 6, eff from and after October 1, 1994.

§ 97-33-51. Exemptions for certain bingo games and raffles.

(1) The provisions of Sections 97-33-1 through 97-33-49 shall not apply to any raffle wherein a ticket is sold and a prize is offered when such raffle is being held by and for the benefit of any nonprofit civic, educational, wildlife conservation or religious organization with all proceeds going to said organization.

(2) The provisions of Sections 97-33-1 through 97-33-49 shall not apply to any bingo game wherein a prize is offered when such bingo game is being held in accordance with the provisions of the Charitable Bingo Law.

(3) A bingo game or a raffle held pursuant to the provisions of the Charitable Bingo Law shall not be considered a game or gambling game for the purposes of Section 75-76-1 et seq.

Sources: Laws, 1979, ch. 390; Laws, 1987, ch. 445; Laws, 1991, ch. 588, § 2; Laws, 1992, ch. 581, § 2, eff from and after October 1, 1992.

§ 97-33-52. Organizations authorized to conduct bingo games; disposition of proceeds; records and reports

(1) A bingo game may be conducted only:

(a) When held for the benefit of a charitable organization that (i) is licensed pursuant to Section 97-33-55 or Section 97-33-59; (ii) is domiciled in the State of Mississippi; and

(b) When the game is held by active members of such organization.

(2) Except as may be otherwise provided in Sections 97-33-51 through 97-33-203, all net proceeds derived from a bingo game authorized by this section shall be expended only for the purposes for which the organization is created, and no net proceeds derived from a bingo game authorized by this section shall be distributed to a charity outside of the State of Mississippi without the approval of the Mississippi Gaming Commission. Nothing in the Charitable Bingo Law shall prohibit a charitable organization from using gross receipts derived from a bingo game conducted under the Charitable Bingo Law to pay administrative penalties imposed by any state agency against the charitable organization.

(3) None of the proceeds of a bingo game authorized to be held under this section shall be used to purchase, construct or improve a building, hall or other facility solely for the purpose of conducting or operating a bingo game.

(4) Every organization which conducts bingo games shall report to the Mississippi Gaming Commission at such time, in such manner and on such forms as the commission prescribes. All

records and reports so filed shall be public records and shall be available for inspection in accordance with the Mississippi Public Records Act of 1983.

Sources: Laws, 1991, ch. 588, § 1; Laws, 1992, ch. 581, § 3; Laws, 1994, ch. 635, § 1; Laws, 2002, ch. 366, § 1, eff from and after passage (approved Mar. 18, 2002.)

§ 97-33-53. Definitions

As used in Sections 97-33-51 through 97-33-203, the following words and phrases shall have the meanings ascribed herein unless the context clearly indicates otherwise:

(a) "Bingo" means a game of chance in which a right to participate is sold to a player and prizes are awarded, that is:

(i) Played with a card, sheet, or an electronic representation thereof, bearing numbers or symbols;

(ii) Played with the participant covering, marking or revealing the numbers or symbols, as objects similarly numbered or designated are drawn from a receptacle and orally called; in the case of electronic representations, the requisite covering, marking or revealing may be accomplished electronically to match objects similarly numbered or designated and stored in memory in advance as winners, or which are generated randomly by an electronic process;

(iii) Won by the player who first covers, marks or reveals a previously designated arrangement of numbers or symbols; and

(iv) Played on the premises of a licensed organization and during the organization's regular hours of conducting bingo games.

The term "bingo" includes pull-tabs made available as a companion game to bingo and played on the premises. The term "bingo" does not include any game which is played via television, telephone, satellite dish or any other telecommunications transmission or receiving device.

Any electronic device used to produce an electronic representation must maintain an inventory recorded in computed memory, not on cartridge memory, of the number of winners and losers. It must also be equipped with tamper-proof electric meters as a backup to the computer memory. It may not dispense cash or coins. Paybacks will be dispensed by printed ticket only. The printer shall maintain duplicate records of all transactions. All such electronic devices shall be approved by the Mississippi Gaming Commission.

(b) "Charitable organization" means:

(i) Any nonprofit organization domiciled in this state that is tax exempt under Section 501(c) or (d) of the United States Internal Revenue Code and which has on file with the Mississippi Gaming Commission either a tax exemption letter issued by the United States Internal Revenue Service, or a certified copy of its application for such tax exempt status

if the commission determines that the organization is likely to be granted the tax exempt status, and is:

1. Any chapter or post domiciled in this state of a nationally chartered organization whose membership is composed of former members of the military forces of the United States of America or whose membership is composed of members of the Merchant Marine Veterans Association; or
2. Any nonprofit civic, educational, wildlife conservation organization or religious organization domiciled in this state.

If an organization which has on file with the commission a certified copy of its application for a tax exemption under Section 501(c) or (d) of the U.S. Internal Revenue Code is not granted the exemption within twelve (12) months from the date of such application, the organization's license shall be subject to revocation pursuant to Section 97-33-61.

(ii) Any senior citizen recreation club, which is defined as an organization sanctioned by the local council on aging and composed of members aged sixty (60) years or older, the sole function of which is to provide amusement and diversion for its members.

(c) "Commission" means the Mississippi Gaming Commission.

(d) "Distributor" means any person or other entity who sells, offers for sale or otherwise furnishes to any person, gaming supplies or equipment for use in the conducting of a bingo game authorized by Sections 97-33-51 through 97-33-203.

(e) "Manufacturer" means any person or other entity who manufactures for sale, offers for sale, or otherwise furnishes, any gaming supplies or equipment for use in the conducting of a bingo game authorized by Sections 97-33-51 through 97-33-203.

(f) "Commercial lessor" means any person or other entity, other than a bona fide nonprofit organization licensed to conduct charitable bingo games, who leases any building, structure or premises to organizations licensed under the provisions of Sections 97-33-51 through 97-33-203.

(g) "Operator" means a person or other entity who supplies the charity an electronic facsimile pull-tab device or labor saving device as described in Section 97-33-53. This person or entity may not be engaged in any other form of bingo operations such as a distributor, manufacturer, charity or commercial lessor.

(h) "Pull-tabs" means single or banded tickets or cards each with its face covered to conceal one or more numbers or symbols, where one or more cards or tickets in each set have been designed in advance as winners. "Pull-tabs" shall also mean any device for dispensing pull-tabs.

(i) "Session" means any five-hour time period within one (1) day or six-hour time period within one (1) week.

(j) "Day" means the whole or any part of the time period of twenty-four (24) hours from midnight to midnight.

(k) "Week" means the seven-day period from 12:01 a.m. on Monday until midnight the following Sunday.

(l) "Net proceeds" means the gross amount collected from participants less the actual prizes or winnings paid, the actual cost or expenses of conducting the bingo game, any administrative penalties imposed by any state agency against the charitable organization, and any other expense authorized under the Charitable Bingo Law or any regulation promulgated thereunder.

(m) "Gross receipts" means all revenue received from bingo operations.

Sources: Laws, 1992, ch. 581, § 4; Laws, 1994, ch. 635, § 2; Laws, 2002, ch. 366, § 2, eff from and after passage (approved Mar. 18, 2002.)

§ 97-33-55. License to conduct games; application; person or persons responsible; fee.

(1) Any charitable organization desiring to conduct bingo games must obtain a license to do so from the Mississippi Gaming Commission.

(2) Each applicant for such a license shall file with the commission a written application therefor in a form prescribed by the commission on which shall be stated:

(a) The name and address of the applicant, together with sufficient facts relating to its incorporation and organization to enable the commission to determine whether or not the applicant is a bona fide organization;

(b) The names and addresses of its officers;

(c) The place or places where, and the date or dates and the time or times when, bingo games are intended to be conducted by the applicant, under the license applied for;

(d) The items of expense intended to be incurred or paid in connection with the holding, operating and conducting of bingo games and the names and addresses of the persons to whom, and the purposes for which, they are to be paid;

(e) The specific purposes to which the entire net proceeds of the bingo games are to be devoted and in what manner;

(f) That, except as otherwise provided in Section 97-33-69, no commission, salary, compensation, reward or recompense will be paid to any person for holding, operating or conducting bingo games;

(g) A description of all prizes to be offered and given in all bingo games to be held, operated and conducted under such license; and

(h) Such other information as shall be prescribed by the commission by its rules and regulations.

(3) In each application there shall be designated an active member or members of the organization under whom the bingo games are to be held, operated and conducted. The application shall include a statement executed by the applicant and by the member or members so designated, that he or they will be responsible for the holding, operation and conduct of the bingo games in accordance with the terms of the license and the provisions of the commission's rules and regulations governing bingo games and of Sections 97-33-51 through 97-33-203, if such license is granted.

(4) An original application shall be accompanied by a fee of Fifty Dollars (\$50.00). Such application fee shall be refunded by the commission to an organization deemed to be an exempt organization pursuant to Section 97-33-107.

Sources: Laws, 1992, ch. 581, § 5; Laws, 1994, ch. 635, § 3, eff from and after October 1, 1994.

§ 97-33-57. Investigation of qualifications of applicants for licenses; criteria; term of license; denial, refusal, suspension or revocation of license.

(1) The commission shall investigate the qualifications of each applicant and the merits of the application, with due expedition after the filing of the application, and shall make the following determinations:

(a) That the applicant is duly qualified to hold, operate and conduct bingo games under the provisions of Sections 97-33-51 through 97-33-203 and the rules and regulations of the commission governing same.

(b) That the member or members of the organization designated in the application to hold, operate, conduct, or assist in holding, operating, or conducting, the bingo games are bona fide active members of the organization and of good moral character, who have never been convicted of certain offenses as designated by the commission.

(c) That bingo games are to be held, operated and conducted in accordance with the provisions of Sections 97-33-51 through 97-33-203 and in accordance with the rules and regulations of the commission governing same, and that the proceeds thereof are to be disposed of as provided by Sections 97-33-51 through 97-33-203.

(2) If the commission is satisfied that no commission, salary, compensation, reward or recompense whatever, except as otherwise provided in Section 97-33-69, will be paid or given to any person holding, operating or conducting any bingo game, it may issue a license to the applicant for the holding, operating and conducting of bingo games.

(3) No license for holding, operating or conducting bingo games that is issued under Sections 97-33-51 through 97-33-203 shall be effective for more than three (3) calendar year.

(4) The commission shall not issue a license to:

- (a) Any person who has been convicted of certain related offenses as established by the commission or who presently has such a charge pending in any state or federal court;
- (b) Any person who has ever been convicted of a gambling-related offense in any state or federal court;
- (c) Any person who is or has ever been a professional gambler;
- (d) Any firm, organization or corporation in which any person as described in paragraphs (a) through (c) is an officer or director, whether compensated or not, or in which such person has a direct or indirect financial interest;
- (e) The commission may deny an application for licensure, refuse to renew a license, or suspend or revoke a license for any reason consistent with the purposes of Sections 97-33-51 through 97-33-203 which it deems to be in the interest of the public. However, policies regarding such denial, suspension, revocation or refusal to renew shall be established by rule and regulation. If the commission fails to act upon the license application within sixty (60) days of the date of filing of the application by the charitable organization, such application shall be deemed accepted.

(5) Any significant change in the information submitted on its application for licensure shall be filed by a licensee with the commission within ten (10) days of the change. A significant change shall include but not be limited to any change in the officers, directors, managers, proprietors or persons having a direct or indirect financial interest in any licensed organization or entity.

Sources: Laws, 1992, ch. 581, § 6; Laws, 1994, ch. 635, § 4, eff from and after October 1, 1994.

§ 97-33-59. Special licenses for emergency financial relief; special charitable limited license requirement.

(1) The commission may issue a special license for the conducting of limited fund-raising bingo games for the benefit of a person, family or group of persons who, because of circumstances which cause a financial crisis of an emergency nature, are in need of immediate fund-raising relief. Bingo games conducted under this section shall consist of no more than two (2) bingo sessions annually by the same person, family or group of persons, at which the total amount of prizes which may be awarded on any calendar day under such a license shall not exceed Fifteen Thousand Dollars (\$15,000.00) in cash or other thing or things of value. Except as otherwise provided in this section or as may be otherwise provided by Section 97-33-69(10) or 97-33-107(k), all other provisions of Sections 97-33-51 through 97-33-203 shall apply to the issuance of such special licenses.

(2) The commission shall not authorize any organization to conduct limited bingo games as described in subsection (1) as provided herein unless that organization has first obtained a special charitable limited license from the commission.

(3) All proceeds derived from bingo games conducted under a special charitable limited license shall go to the specific need for which the games are conducted, as outlined in the application for such license.

(4) The fee for a special charitable limited license shall be limited to the actual administrative costs of issuing it.

Sources: Laws, 1992, ch. 581, § 7; Laws, 1994, ch. 635, § 5, eff from and after October 1, 1994.

§ 97-33-61. Notice and hearing prerequisites to denial of license; judicial review.

No license shall be revoked by the commission until after a hearing is held on due notice. The commission may designate a hearing examiner to hear the case and render a decision. A licensee aggrieved by the decision of the hearing examiner may apply within fifteen (15) days after announcement of the decision in writing to the commission for review of the decision. Review is limited to the record of proceedings before the hearing examiner. The commission may sustain or reverse the hearing examiner's decision.

Any person aggrieved by the final decision of the commission may obtain a judicial review thereof in the circuit court of the county in which the bingo games are conducted. The judicial review must be instituted by filing a petition within ten (10) days after the decision is rendered.

Sources: Laws, 1992, ch. 581, § 8; Laws, 1994, ch. 635, § 6, eff from and after October 1, 1994.

§ 97-33-63. Reserved

§ 97-33-65. Commission to control games; entry and inspection by agents; suspension or revocation of license for violations.

The commission shall control all bingo games held, operated or conducted by a licensee to assure that they are fairly held, operated and conducted in accordance with the provisions of the license, the commission's rules and regulations, and the provisions of Sections 97-33-51 through 97-33-203. The commission may suspend or revoke any license for violation of any such rule and regulation or provision. Its officers and agents may enter and inspect any premises where any bingo game is being held, operated and conducted or is intended to be held, operated and conducted, or where any equipment is being used or intended to be used in the conduct thereof.

Sources: Laws, 1992, ch. 581, § 9; Laws, 1994, ch. 635, § 7, eff from and after October 1, 1994.

§ 97-33-67. Length and frequency of sessions; prize limits; designated supervisor responsible for session; purchase of supplies only from licensees; persons under 18 years of age.

- (1) (a) No licensee shall hold, operate or conduct any bingo game more often than for two (2) sessions within one (1) day and more often than eight (8) sessions in any one (1) week. Any licensee who holds no more than one (1) session per week shall be entitled to

conduct one (1) six-hour session per week. Notwithstanding the provisions of this paragraph, pull-tabs, video pull-tabs or video bingo games may be played for up to eighty (80) hours per week.

(b) No licensee shall hold, operate or conduct any bingo game in more than one (1) physical location. Any bingo operation for which a license has been issued by the Gaming Commission on or after April 1, 1995, and which is located within one thousand five hundred (1,500) feet of a school, church or public library building, shall not conduct bingo sessions during the hours of the school day or during church or library hours.

(2) The total amount of prizes which may be awarded in any one (1) session by a licensee shall not exceed Seven Thousand Five Hundred Dollars (\$7,500.00) in cash or other thing or things of value, except as otherwise provided in Section 97-33-59 and except that the total amount of prizes which may be awarded in any one (1) session shall not exceed Eight Thousand Dollars (\$8,000.00) if only one (1) session is held in any one (1) week. The Seven Thousand Five Hundred Dollars (\$7,500.00) and the Eight Thousand Dollars (\$8,000.00) limits do not include payback of pull-tabs or electronic representations. The commission shall establish by rule the method of calculating the value of anything offered as a prize.

(3) Each licensee shall designate a supervisor and a sufficient number of alternate supervisors to be in charge of and primarily responsible for each session of a bingo game. Such individual shall be familiar with the provisions of Sections 97-33-51 through 97-33-203 and the rules and regulations of the commission. Such individual, or alternate who shall be designated as the bingo supervisor, shall supervise all activities of such session and be responsible for the conduct of all games of such session. The supervisor shall be present at all times on the premises during the session.

(4) No licensee shall purchase or otherwise obtain any gaming supplies or equipment from any distributor, operator or manufacturer until it has first determined that the individual selling or otherwise offering such supplies or equipment has a valid license issued by the commission.

(5) No licensee shall allow any person under eighteen (18) years of age to assist in the holding, operation or conduct of any bingo game. No licensee shall allow any person under eighteen (18) years of age to play a bingo game unless accompanied by his or her parent or legal guardian, except that a licensee may prohibit all persons under eighteen (18) years from entering the licensed premises by posting a written notice to that effect on the premises.

Sources: Laws, 1992, ch. 581, § 10; Laws, 1994, ch. 635, § 8; Laws, 1995, ch. 618, § 1; Laws, 2002, ch. 508, § 1, eff from and after passage (approved Apr. 1, 2002.)

§ 97-33-69. Active member to conduct games; compensation, rentals and fees regulated; contract to be in writing; furnisher of services or equipment not to conduct games; allowable expenses.

(1) Except as otherwise provided in subsection (3) of this section, no person shall hold, operate, conduct or assist in holding, operating or conducting, any bingo game under any license issued

pursuant to Sections 97-33-51 through 97-33-81, except designated supervisors or alternate supervisors designated as provided for in Section 97-33-67(3).

(2) Except as otherwise provided in subsection (3) of this section and as may be otherwise provided pursuant to subsection (10) of this section, no commission, salary, compensation, reward or recompense, including but not limited to granting or use of bingo cards without charge or at a reduced charge, shall be paid or given directly or indirectly to the bingo supervisor or alternate supervisor or any person related to such supervisor or alternate supervisor by blood, marriage or business relationship, for the holding, operating or conducting any licensed game or games of chance.

(3) Except as may be otherwise provided pursuant to subsection (10) of this section, any licensee may pay as compensation for all persons involved in the holding, operating or conducting of any licensed game or games of chance, an amount not to exceed Four Hundred Dollars (\$400.00) per session. Persons who may be compensated from the Four Hundred Dollars (\$400.00) per session amount may include the bingo supervisor or alternate supervisor, callers, runners and cashiers. Neither the bingo supervisor nor any alternate supervisor, or any person related to such supervisor by blood, marriage or business relationship, while being compensated as the bingo supervisor, shall receive any other compensation, directly or indirectly, from the licensee. No employee receiving compensation for the holding, operating or conducting or assisting in the holding, operating or conducting of a bingo game shall receive compensation for more than one (1) job function.

(4) (a) Any corporation, person or entity operating bingo games, under contract, for the benefit of organizations as prescribed in subsection (3) of this section shall be restricted to operating such games for a limit of one (1) such organization authorized to pay employees up to a maximum of Four Hundred Dollars (\$400.00) per session. Such corporation, person or entity shall only be authorized to conduct such sessions at one (1) physical location or building.

(b) Any corporation, person or entity operating bingo games, under contract, for the benefit of organizations as prescribed in subsection (3) of this section shall have a written contract with the organization and shall be subject to any rules and regulations promulgated by the commission for the purpose of investigating or regulating contracting agents.

(5) Except as may be otherwise provided pursuant to subsection (10) of this section, no manufacturer, operator, distributor, commercial lessor, or his agents or employees, who directly or indirectly leases premises, sells, leases, otherwise distributes gaming supplies or equipment, or furnishes any commodities or services, in relation to the conducting of any bingo game pursuant to Sections 97-33-51 through 97-33-203 shall take part in the holding, operation or conducting of a bingo game. However, nothing in this section shall prohibit the owner of a premises from having a representative present to protect his interests in the premises.

(6) Except as may be otherwise provided pursuant to subsection (10) of this section, no bingo game shall be conducted with any supplies or equipment except such as shall be owned by the

licensee, provided without payment of any compensation by the licensee or purchased from a licensed manufacturer or distributor of such supplies or equipment.

(7) Except as may be otherwise provided pursuant to subsection (10) of this section, no item of expense shall be incurred or paid in connection with the holding, operating or conducting of any bingo game by a licensee, except:

(a) The actual and reasonable costs of purchasing or leasing necessary supplies, equipment and materials to be used exclusively in the holding, operating or conducting of the bingo game; and

(b) The actual and reasonable costs incurred in obtaining and performing necessary bookkeeping, security and janitorial services for the holding, operating or conducting of the bingo game. The reasonableness of the amounts of, and the necessity for, an expense authorized by this subsection shall be determined by the commission.

(8) Except as may be otherwise provided pursuant to subsection (10) of this section, no licensee shall pay any consulting fees to any person for any service performed in relation to the conducting of any charitable game of chance or concession fees to any person who provides refreshments to the participants in any such games.

(9) Except as may be otherwise provided pursuant to subsection (10) of this section, no lease providing for a rental arrangement for premises or equipment shall provide for payment in excess of the reasonable market rental rate for such premises or equipment, and in no case shall any payment be based on a percentage of gross receipts or profits derived from a bingo game. Whether a market rental rate is reasonable shall be determined by the commission.

(10) Administrative exceptions to the provisions of this section with regard to organizations which have demonstrated to the Mississippi Gaming Commission a practice of legitimate operation of such games, may be made by the Mississippi Gaming Commission pursuant to its rules and regulations, as duly adopted and promulgated by the commission; provided that such an administrative exception shall be no more restrictive than the provision of law to which it is an exception.

Sources: Laws, 1992, ch. 581, § 11; Laws, 1994, ch. 635; Laws, 1995, ch. 618, § 2, eff from and after July 1, 1995.

§ 97-33-71. Records and reports to Commission.

(1) Except as may be otherwise provided pursuant to Section 97-33-107(k), the organization which held, operated or conducted the bingo game, and its bingo supervisor or supervisors who were in charge thereof, shall furnish to the commission the following information not less than quarterly:

(a) A verified statement showing the amount of the gross receipts derived from each bingo game, which shall include receipts from the sale of shares, tickets or rights in any manner connected with participation in said game;

- (b) Each item of expense incurred or paid, and each item of expenditure made or to be made;
- (c) The name and address of each person to whom each such item has been paid or is to be paid, with a detailed description of the merchandise purchased or the service rendered therefor;
- (d) The net profit derived from each such bingo game and the uses to which such net profit has been or is to be applied;
- (e) A list of prizes offered or given, with the respective values thereof;
- (f) The number of participants in each game.

(2) Each licensee shall maintain and keep such books and records as may be necessary to substantiate the particulars of each such report.

(3) All licensees shall maintain records and submit reports as provided by rules of the commission. Such rules may require that all income of a licensee derived from charitable bingo games be recorded to the extent necessary to disclose gross and net income.

Sources: Laws, 1992, ch. 581, § 12; Laws, 1994, ch. 635, § 10; Laws, 1995, ch. 618, § 3, eff from and after July 1, 1995.

§ 97-33-73. Gaming and Tax Commissions may examine books and records.

(1) The Mississippi Gaming Commission shall have power to examine or to cause to be examined the books and records of any organization to which such license is issued so far as they may relate to any transactions connected with the holding and conducting of bingo and to examine any manager, officer, director, agent, member or employee thereof under oath in relation to the conduct of any such game, but any information so received shall not be disclosed except so far as may be necessary for the purpose of carrying out the provisions of Sections 97-33-51 through 97-33-203.

(2) The State Tax Commission shall have the power to examine or to cause to be examined the books and records of any organization to which a license is issued for the purpose of determining compliance with the Charitable Bingo Law and any other laws and regulations and to conduct in-depth audits and investigation of the licensee.

Sources: Laws, 1992, ch. 581, § 13; Laws, 1994, ch. 635, § 11, eff from and after October 1, 1994.

§ 97-33-75. Violations; sanctions.

(1) Any person, association or corporation violating any provision of Sections 97-33-51 through 97-33-203 or any rule or regulation of the commission shall be subject to a fine imposed by the commission and to suspension or revocation of its license.

(2) Any person who commits any of the following acts, upon conviction, shall be fined not more than Five Thousand Dollars (\$5,000.00) or imprisoned for one (1) year, or both:

(a) Making any false statement in any application for a license under Sections 97-33-51 through 97-33-203, or in any official report to the commission;

(b) Holding, operating or conducting any bingo game without a license;

(c) Knowingly falsifying or making any false entry in any books or records, with respect to any transaction connected with the holding, operating or conducting of any bingo game;

(d) Refusing to allow the commission access to any premises where a game of chance is being conducted or to any book, record or document relating to such conduct;

(e) Intentionally causing, aiding, abetting or conspiring with another to cause any person to violate any provision of Sections 97-33-51 through 97-33-203;

(f) Possessing, displaying, selling or otherwise furnishing to any person any pull-tabs, except as provided for in Section 97-33-77.

(3) Any person who violates any other provision of Sections 97-33-51 through 97-33-203 that is not listed in this section may be imprisoned for not more than six (6) months or fined not more than Five Hundred Dollars (\$500.00), or both.

(4) Any conviction of any person pursuant to subsections (2) and (3) of this section shall constitute cause for revocation of the license of such person or the organization with which such person is affiliated.

Sources: Laws, 1992, ch. 581, § 14; Laws, 1994, ch. 635, § 12, eff from and after October 1, 1994.

§ 97-33-77. Regulation of pull-tabs.

(1) No organization, distributor, manufacturer, or any representative thereof, either with knowledge or in circumstances whereunder he reasonably should have known, shall possess, display, put out for play, sell or otherwise furnish to any person any pull-tabs:

(a) In which the winning pull-tabs have not been completely and randomly distributed and mixed among all other pull-tabs in the deal;

(b) In which the location or approximate location of any of the winning pull-tabs can be determined in advance of opening the pull-tabs in any manner or by any device, including but not limited to any pattern in the manufacture, assembly, or packaging of pull-tabs by the manufacturer, by any markings on the pull-tabs or container, or by the hue of a light; or

(c) Which does not conform in any respect to these requirements as to manufacturer, assembly or packaging.

(2) A distributor shall not purchase or be furnished any pull-tabs from a manufacturer of pull-tabs unless all of the following conditions are met:

(a) The manufacturer's label or trademark has been registered with the Mississippi Gaming Commission.

(b) Each individual pull-tab manufactured has conspicuously set forth on it the name of the manufacturer or a label or trademark which identifies its manufacturer.

(c) The pull-tab is of a type approved by the commission for use in Mississippi.

Sources: Laws, 1992, ch. 581, § 15, eff from and after October 1, 1992.

§ 97-33-79. Regulation of manufacturers of supplies and equipment; license required; sale of supplies only to licensees; gifts, etc.; records and reports.

(1) No person or other entity shall fabricate, concoct or manufacture any supplies or equipment for use in the conducting of any bingo game authorized under Sections 97-33-51 through 97-33-203, including but not limited to bingo equipment, pull-tabs, or electronic representations, within this state or for use within this state without having obtained a manufacturer's license from the commission.

(2) No person or other entity shall sell, offer for sale, or otherwise furnish any other person any supplies or equipment of use in the conduct of any bingo game authorized under Sections 97-33-51 through 97-33-203, including but not limited to bingo equipment and pull-tabs without having obtained a distributor's or operator's license from the commission.

(3) No person licensed as a manufacturer, distributor or operator shall sell or otherwise make available any such gaming supplies or equipment to any individual unless he has first determined that the individual is a licensed distributor or is acting as an agent of an organization which has a valid license issued by the commission.

(4) No manufacturer, distributor or operator of gaming supplies or equipment shall directly or indirectly give gifts, trips, prizes, premiums or other such gratuities to any charitable gaming organization, its employees, or commercial lessors.

(5) Each manufacturer, distributor or operator of gaming supplies or equipment shall maintain records and submit reports as required by rules of the commission. The rules may require maintenance of purchase and sale invoices of all gaming supplies and equipment manufactured or distributed, whether by sale, lease, rental, loan or donation, to any charitable gaming organization.

Sources: Laws, 1992, ch. 581, § 16; Laws, 1994, ch. 635, § 13, eff from and after October 1, 1994.

§ 97-33-81. Overlap of financial interest between organizations conducting games and manufacturers, distributors, or lessors.

(1) No organization which conducts charitable bingo games shall be a manufacturer, distributor or operator of supplies or equipment for such games.

(2) No officer, director or manager of an organization which conducts charitable bingo games shall:

(a) Have a direct or indirect financial interest in any entity which manufactures or distributes supplies or equipment for charitable bingo games;

(b) Serve as an officer, director, shareholder, proprietor or employee of an entity which manufactures or distributes supplies or equipment for charitable bingo games; or

(c) Serve as an officer, director, shareholder, proprietor or employee of a commercial lessor who leases buildings, structures or premises to organizations licensed under the provisions of Sections 97-33-51 through 97-33-203.

(3) No entity which manufactures or distributes supplies or equipment for charitable bingo games of chance; no officer, director, shareholder, proprietor or employee of such entity; and no person having a direct or indirect financial interest in such an entity shall lease premises, directly or indirectly, to an organization for purposes of conducting charitable bingo games of chance.

(4) No entity or person described in subsections (1), (2) or (3) of this section shall serve as a commercial lessor.

Sources: Laws, 1992, ch. 581, § 17; Laws, 1994, ch. 635, § 14, eff from and after October 1, 1994.

§§ 97-33-83 to 97-33-99. Reserved.

§ 97-33-101. Disposition of fees and fines; Charitable Bingo Fund.

All fees and fines collected by the commission pursuant to Sections 97-33-51 through 97-33-203 shall be deposited into a special fund to be known as the "Charitable Bingo Fund," which is hereby created in the State Treasury. The monies in such fund shall be used exclusively to support the activities of the commission related to the regulation of the Charitable Bingo Law, upon appropriation by the Legislature. Unexpended amounts remaining in the fund at the end of a fiscal year shall not lapse into the State General Fund, and any interest earned on amounts in such special fund shall be deposited to the credit of the special fund.

Sources: Laws, 1992, ch. 581, § 18; Laws, 1994, ch. 635, § 15, eff from and after October 1, 1994.

§ 97-33-103. Annual report by Commission.

(1) The commission shall annually prepare and submit a comprehensive report on the scope and nature of charitable bingo game activities in this state and impact of the commission on such activities. The report shall be submitted to the Lieutenant Governor, the Speaker of the House of

Representatives, the Chairmen of the House and Senate Judiciary Committees, the Chairman of the House Ways and Means Committee and the Chairman of the Senate Finance Committee.

(2) The commission shall furnish a copy of its rules and regulations, including any amendments thereto as they are adopted, pursuant to the Charitable Bingo Law, to the Chairman and Counsel of the House Ways and Means Committee and the Chairman and Counsel of the Senate Finance Committee. Further, upon a written request from any member of the Legislature, the commission shall furnish such rules and regulations to the member, by return United States Mail.

Sources: Laws, 1992, ch. 581, § 19; Laws, 1994, ch. 635, § 16, eff from and after October 1, 1994.

§ 97-33-105. Commission personnel not to have interest in organization conducting bingo or manufacturing or distributing supplies or equipment.

Neither the director nor any employee of the commission shall be an officer, director or manager of any organization licensed by the state to conduct charitable bingo games or have a direct or indirect financial interest in any entity manufacturing or distributing supplies or equipment used in such games.

Sources: Laws, 1992, ch. 581, § 20, eff from and after October 1, 1992.

§ 97-33-107. Functions, duties, and responsibilities of Commission.

In connection with its regulation of charitable bingo games, the commission shall have the following functions, duties and responsibilities:

(a) To issue and renew annual state licenses required by law for organizations conducting bingo games and for manufacturers, distributors or operators of supplies or equipment for such games;

(b) To assess and collect fees not to exceed two and one-half percent (2-1/2%) of the net proceeds of pull-tabs, electronic bingo machines and electronic pull-tab machines, which fees shall be limited to the amounts necessary to administer the Charitable Bingo Law;

(c) To assess and collect fees equal to one percent (1%) of the gross proceeds of each bingo session conducted by a Class "A" charitable organization and equal to one-half (1/2) of one percent (1%) of the gross proceeds of each bingo session conducted by a Class "B" or a Class "C" charitable organization; provided, however, that the fees assessed and collected under this subsection (c) shall not apply to pull-tabs, electronic bingo machines or electronic pull-tab machines as described in subsection (b) above; and provided, that the fees shall not be collected in any bingo session held by a religious organization which has been in existence for ten (10) years or longer, held on the premises owned by the religious organization, and held without any person being compensated for operating the game, and until the gross proceeds of bingo games conducted by such organization exceed Fifty Thousand Dollars (\$50,000.00) during the calendar year;

(d) To deny applications for licensure or license renewal and to issue orders for suspension or revocation of licenses issued pursuant to Sections 97-33-51 through 97-33-203;

(e) To monitor licensees to ensure compliance with all provisions of law and regulations relative to charitable bingo games through routine scheduled and unscheduled inspections, investigations and audits;

(f) To enforce all provisions of law and regulations relative to charitable bingo games and to assist local law enforcement agencies in these enforcement responsibilities and bingo enforcement agents shall have the powers of a peace officer;

(g) To establish and assess penalties for violations of regulations relative to charitable bingo games;

(h) To familiarize the members of organizations which conduct charitable bingo games of chance, with provisions of the Charitable Bingo Law and other applicable laws and regulations;

(i) To adopt rules and regulations to provide for the sale or transfer of surplus supplies or equipment from one licensed organization to another and such other rules and regulations as are necessary to carry out the purposes and functions of Sections 97-33-51 through 97-33-203, including the adoption of rules and regulations pursuant to Section 97-33-69(10) which may provide for differing requirements, with regard to the number of participants, sessions, amount of prizes offered, proceeds received or other factors which affect the regulatory and administrative burdens on organizations operating charitable bingo games, for a certain class of organizations, provided that such rules and regulations shall be no more restrictive than the provisions of law that govern such factors;

(j) To prescribe rules and regulations creating a class of organizations that are exempt from the purchase of reprinted tickets as provided for in paragraph (c) of this section based on the number of participants or the amount of prizes offered or other factors which affect the regulatory and administrative burdens on the organizations imposed by the commission; and

(k) To establish the classes described in this paragraph of charitable organizations that are licensed to conduct bingo games and to prescribe rules and regulations to provide for differing reporting requirements imposed upon each different class; provided that such rules and regulations shall be no more restrictive than the provisions of law that relate to reporting requirements. Such classes of organizations are as follows:

(i) Class "A" shall be composed of licensed charitable organizations which conduct bingo games in which the prizes awarded total an aggregate amount in excess of Five Thousand Dollars (\$5,000.00) per session;

(ii) Class "B" shall be composed of licensed charitable organizations which conduct bingo games in which the prizes awarded total an aggregate amount of not less than Two Thousand Five Hundred Dollars (\$2,500.00) and not more than Five Thousand Dollars (\$5,000.00);

(iii) Class "C" shall be composed of licensed charitable organizations which conduct bingo games in which the prizes awarded total an aggregate amount of less than Two Thousand Five Hundred Dollars (\$2,500.00).

Sources: Laws, 1992, ch. 581, § 21; Laws, 1994, ch. 635, § 17; Laws, 1995, ch. 511, § 1; Laws, 1999, ch. 490, § 1, eff from and after July 1, 1999.

§ 97-33-109. Monitoring of licensees; enforcement powers and actions; prosecutions; penalties.

(1) The commission shall monitor the conduct or business of licensees, both on a routine scheduled and an unscheduled basis, to the extent necessary to ensure compliance with the provisions of charitable bingo game laws and regulations of the state.

(2) In carrying out its enforcement responsibilities, the commission may:

(a) Inspect and examine all premises in which charitable bingo games are conducted or supplies or equipment for such games are manufactured and distributed;

(b) Inspect all such supplies and equipment in, upon or about such premises;

(c) Seize and remove from such premises and impound such supplies and equipment for the purpose of examination and inspection pursuant to an appropriate court order;

(d) Demand access to and audit and inspect books and records of licensees for the purpose of determining compliance with laws and regulations relative to charitable bingo games;

(e) Conduct in-depth audits and investigations; and

(f) Mandate that internal controls be executed in accordance with the provisions of the Charitable Bingo Law and other applicable laws and regulations.

(3) The commission shall require licensees to maintain records and submit reports.

(4) In addition to license revocation or suspension or any criminal penalty imposed, the commission may assess a fine against any person who violates any law or regulation relative to charitable bingo games. Such a fine shall only be assessed after notice and an opportunity for a hearing to be held.

(5) All departments, commissions, boards, agencies, officers and institutions of the state, and all subdivisions thereof, shall cooperate with the commission in carrying out its enforcement responsibilities.

(6) The Attorney General shall be the attorney for the commission in regard to its duties to regulate the Charitable Bingo Law and he shall represent it in all legal proceedings and shall

prosecute any civil action for a violation of the provisions of Sections 97-33-51 through 97-33-203 or the rules and regulations of the commission.

(7) It is the duty of the sheriffs, deputy sheriffs and police officers of this state to assist the commission in the enforcement of the provisions of Sections 97-33-51 through 97-33-203 and to arrest and complain against any person violating the provisions of Sections 97-33-51 through 97-33-203. It is the duty of the district attorneys of this state to prosecute all violations of the provisions of Sections 97-33-51 through 97-33-203 if requested to do so by the commission.

(8) (a) Whenever any person who is a resident of the State of Mississippi has reason to believe that a person or organization is or has violated the provisions of Sections 97-33-51 through 97-33-203 and that proceedings would be in the public interest, he may bring an action in the name of the state against such person to restrain by temporary or permanent injunction such violation, upon at least five (5) days' summons before the hearing of the action. The action shall be brought in the chancery or county court of the county in which such violation has occurred or, with consent of the parties, may be brought in the chancery or county court of the county in which the State Capitol is located. The said courts are authorized to issue temporary or permanent injunctions to restrain and prevent violations of Sections 97-33-51 through 97-33-203, and such injunctions shall be issued without bond.

(b) Any person who violates the terms of an injunction issued under this subsection shall forfeit and pay to the state a civil penalty of not more than Five Thousand Dollars (\$5,000.00) per violation which shall be payable to the General Fund of the State of Mississippi. For the purposes of this subsection, the chancery or county court issuing an injunction shall retain jurisdiction, and the cause shall be continued, and in such cases the person bringing the action may petition for recovery of civil penalties.

(c) In any action brought under this subsection, if the court finds that a person is willfully violating the provisions of Sections 97-33-51 through 97-33-203, the person bringing the action, upon petition to the court, may recover on behalf of the state a civil penalty of not exceeding Five Hundred Dollars (\$500.00) per violation which shall be payable to the General Fund of the State of Mississippi.

(d) No penalty authorized by this subsection shall be deemed to limit the court's powers to insure compliance with its orders, decrees and judgments, or punish for the violations thereof.

(e) For purposes of this subsection, a willful violation occurs when the party committing the violation knew or should have known that his conduct was a violation of the provisions of Sections 97-33-51 through 97-33-203.

Sources: Laws, 1992, ch. 581, § 22; Laws, 1994, ch. 635, § 18, eff from and after October 1, 1994.

§§ 97-33-111 to 97-33-199. Reserved.

§ 97-33-201. Licensure as manufacturer, distributor, or operator of supplies or equipment or as commercial lessor; application; fee; requirements; denial, refusal to renew, suspension or revocation; grounds.

- (1)
 - (a) Any organization or person seeking licensure as a manufacturer, distributor or operator of bingo gaming supplies or equipment, shall submit an application to the commission on forms provided for such purposes. Such application shall contain such information as may be reasonably required by rules of the commission. The application shall be accompanied by a fee as established by the commission.
 - (b) The commission shall investigate all applications for licensure and, in addition to the information required on the application, may require the applicant to furnish such additional information as it deems necessary.
- (2) The commission shall not issue a license under this section to:
 - (a) Any person who has been convicted of certain related offenses as established by the commission or who presently has such a charge pending in any state or federal court;
 - (b) Any person who has ever been convicted of a gambling-related offense in any state or federal court;
 - (c) Any person who is or has ever been a professional gambler;
 - (d) Any firm, organization or corporation in which any person as described in paragraphs (a) through (c) of this subsection is an officer or director, whether compensated or not, or in which such person has a direct or indirect financial interest;
 - (e) Any person, firm, organization, entity or corporation which has a direct or indirect financial interest in a licensed charity.
- (3) The commission may deny an application for licensure, refuse to renew a license, or suspend or revoke a license for any reason consistent with the purposes of Sections 97-33-201 and 97-33-203 which it deems to be in the interest of the public. However, policies regarding such denial, suspension, revocation or refusal to renew shall be established by rule and regulation.
- (4) Any significant change in the information submitted on its application for licensure shall be filed by a licensee with the commission within ten (10) days of the change. A significant change shall include but not be limited to any change in the officers, directors, managers, proprietors or persons having a direct or indirect financial interest in any licensed organization or entity.

Sources: Laws, 1992, ch. 581, § 23; Laws, 1994, ch. 635, § 19; Laws, 1999, ch. 490, § 2, eff from and after July 1, 1999.

§ 97-33-203. Commercial lessor's license; rental rates and other charges allowable; length and frequency of rentals; agreements with distributors.

(1) No lease of any premises by a commercial lessor to any charitable organization for a charitable bingo game shall provide for payment in excess of the reasonable market rental rate for such premises. The commission shall determine whether a market rental rate for such premises is reasonable. No lease shall provide for rental for less than a five-hour session. No more than two (2) sessions shall be conducted within one (1) day and more often than eight (8) sessions in any one (1) week on the premises of a commercial lessor. Any licensee who holds no more than one (1) session per week shall be entitled to conduct one (1) six-hour session per week.

(2) No commercial lessor shall require the payment of any other cost or fee from an organization licensed to hold, operate or conduct bingo games other than the rental amount provided for by the rental agreement or contract or charge admission fees to persons entering the premises to participate in the games.

(3) No commercial lessor leasing premises for authorized charitable bingo game activities shall enter into any agreement with a distributor of gaming supplies for the use, purchase, promotion or sale of supplies to be used in such bingo games.

Sources: Laws, 1992, ch. 581, § 24; Laws, 1994, ch. 635, § 20; Laws, 1999, ch. 490, § 3, eff from and after July 1, 1999.