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*Chairman*

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*Commissioner*

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*Commissioner*



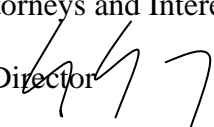
**Larry Gregory**  
*Executive Director*

**MISSISSIPPI GAMING COMMISSION**

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(601) 576-3800

**INDUSTRY LETTER NO. 2009-01**  
**August 11, 2009**

TO: All Licensees, Enrolled Attorneys and Interested Parties

FROM: Larry Gregory, Executive Director 

RE: Funding for the Mississippi Gaming Commission

This industry letter replaces and supersedes all prior letters/memos related to the subject matter of fees assessed by the Mississippi Gaming Commission (MGC).

On June 30, 2009, the Legislature passed Senate Bill 2047 moving the MGC from a state agency that was largely a Special Fund agency (67%) to a 100% Special Fund agency. This essentially requires that the MGC be responsible for generating the funds needed to operate the agency and enforce the Gaming Control Act as well as the Charitable Bingo law. Thus, we are ready to proceed in collecting those fees in order to fund our FY 2010 budget. While the MGC was appropriated \$10.7 million for our FY10 budget, the MGC will attempt to limit its spending to \$9 million resulting in a self imposed 15% budget reduction.

Below is a list of current fees assessed by the MGC:

Investigative fee	\$80/hour plus expenses
Corporate fee	\$80/hour plus expenses
Compliance audit fee	\$60/hour
Gaming laboratory fee	\$225/line item
Associated Equipment fee	\$125/hour
Work permit fee	\$75/original
Work permit fee	\$125/renewal
Annual report filing fee	\$90/key license
Annual report filing fee	\$150/suitability license
Junket permit fee	\$500/plus \$500 investigative fee
Gaming device firmware testing fee	*\$15 (after August 1, 2009: \$30)

The gaming device firmware testing fee implemented in 2004 will increase from \$15 to \$30. This increase is effective August 1, 2009, and will more accurately reflect the actual cost associated with tracking, inspecting and investigating gaming devices. All others fees will remain unchanged.

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While the fees addressed in this letter do not include the fees assessed in the charitable gaming division, we have increased their fees as well. In addition, we will begin charging gaming manufacturers for tracking and inspection as well.

The MGC is well aware of the current economic conditions; however, the MGC has an obligation to fund the agency in order to enforce the Gaming Control Act, Charitable Gaming laws and related regulations.

In conclusion, the legislature has given the MGC the statutory authority to recoup any and all investigative costs as well as the mandate to strictly regulate the gaming industry insuring adherence to state public policy; the MGC feels this is a minimal and necessary measure to properly accomplish its mission. Mississippi casinos have generated over \$37.9 billion in gross gaming revenues since 1992. With Mississippi's tax rate structure being the 3<sup>rd</sup> lowest in the nation; this minimum fee increase is nominal compared to what other regulatory bodies charge. Most importantly, we are absolutely the lowest funded regulatory body in gaming in the nation, even with the increased fee.

Please feel free to contact me at 601-576-3809 if you have any questions regarding the fee structure.