

February 8, 2024

The Honorable Jeremy England Senator, District 51 Post Office Box 6363 Vancleave, Mississippi 39565

Re: Lottery Ticket Couriers

Dear Senator England:

The Office of the Attorney General has received your request for an official opinion.

Background

According to your request, lottery ticket couriers allow customers to securely reserve official state lottery tickets through a computer, tablet, or smartphone. Lottery ticket couriers then purchase tickets from physical retailer locations. The lottery ticket couriers receive payment to reimburse the courier for the cost of scanning, storing, and delivering the lottery ticket to the customer. The lottery ticket couriers retain the physical ticket until it is determined to be a winning or non-winning ticket. All winning tickets with prizes above the relevant IRS threshold must be sent back to the customer for claiming.

Questions Presented

- 1. May a lottery courier service operate legally in Mississippi under the Alyce G. Clarke Mississippi Lottery Law ("Lottery Law")?
- 2. Are lottery couriers, using the model set forth herein, exempt from the definition of "lottery vendors" as used in Mississippi Code Annotated Sections 27-115-5 and 27-115-55?
- 3. Do the provisions prohibiting the bulk sales of lottery tickets for investment purposes as outlined in Section 27-115-37 create a conflict with lottery courier services operating as described in this request?
- 4. Does the restriction on the lottery's ability to adapt casino games to personal or mobile devices found in Section 27-115-17(1) and Section 27-115-17(2)(d) create any bar to customers using a personal computer, tablet, smartphone, mobile device or other similar

equipment or type of device to direct a third party, such as a lottery courier, to obtain tickets from a lottery retailer on behalf of the customer?

Brief Response

- 1. The lottery courier system as described in your request does not comply with the requirements of the Lottery Law. There is currently no provision in the Lottery Law allowing for the online "reservation" of lottery tickets as you describe in your request. The Lottery Law prohibits any person other than a duly certified lottery retailer from selling lottery tickets to the public. Further, the sale of lottery tickets using a computer, tablet, or smartphone would violate the prohibition against selling lottery tickets by any method involving "any personal computer, tablet, smartphone, mobile device or other similar equipment or type of device" in Section 27-115-17(2)(d) and also would not comport with the age verification and signage requirements in Sections 27-115-73 and 27-115-67.
- 2. Our response to your first question renders this question moot. However, we note that whether a type of lottery business would be required to have a contract with the Lottery Corporation to operate in Mississippi, thus qualifying as a vendor as defined in Section 27-115-5(i), is ultimately a determination to be made by the Lottery Corporation and/or the Lottery Board and is a question that we cannot answer by official opinion.
- 3. Our response to your first question renders this question moot.
- 4. The Lottery Law does not contemplate or authorize using a personal computer, tablet, smartphone, mobile device or other similar equipment or type of device to direct a third-party company to obtain or reserve lottery tickets. Only duly certified retailers are allowed to sell lottery tickets to the public and they must do so in accordance with the Lottery Law, which prohibits the sale of lottery tickets by any method involving "any personal computer, tablet, smartphone, mobile device or other similar equipment or type of device." Miss. Code Ann. § 27-115-17(2)(d).

Applicable Law and Discussion

The Lottery Law, Sections 27-115-1, *et seq.*, creates a state lottery, which is administered by the Mississippi Lottery Corporation ("Lottery Corporation"). Miss. Code Ann. § 27-115-7(1). The Mississippi Lottery Corporation Board of Directors ("Lottery Board") has the authority to adopt administrative rules and regulations governing the conduct of lottery games and operations, including:

[t]he methods to be used in selling tickets for lottery games; provided, however, the corporation shall not permit any lottery game to be played or ticket to be purchased, sold or played by any method involving (i) a video lottery terminal or (ii) by any personal computer, tablet, smartphone, mobile device or other similar equipment or type of device.

Hon. Jeremy England February 8, 2024 Page 3

Miss. Code Ann. § 27-115-17(2)(d). The Lottery Law defines a "retailer" as "any person with whom the corporation has contracted to sell lottery tickets to the public" and prohibits any person other than "a duly certified lottery retailer" from selling lottery tickets. Miss. Code Ann. §§ 27-115-5(g) and 27-115-65(1).

The Lottery Law does not provide for online ticket reservations or resale to the public; it only contemplates lottery tickets being sold directly to customers at a physical retail location with requirements imposed on those physical locations. For example, lottery retailers are prohibited from selling lottery tickets to anyone under age 21, and identification with proof of age must be shown at the retail location. Miss. Code Ann. § 27-115-73. Additionally, lottery retailers are required to post signs on "licensed premises at each point of entry into areas where lottery tickets are sold to inform patrons of a toll-free telephone number of any state or national organization that provides information and referral services regarding compulsive or problem gambling." Miss. Code Ann. § 27-115-67. Lottery retailers are only allowed to sell lottery tickets at the location listed in the contract with the Lottery Board. Miss. Code Ann. § 27-115-65(3). Moreover, contracts awarded to lottery retailers are not transferable or assignable, nor can a lottery retailer "contract with any person for lottery goods or services except with the approval of the board." Miss. Code Ann. § 27-115-57(1). The Lottery Law also prohibits any person from selling a lottery ticket "at a price other than established by the corporation, unless authorized in writing by the president." Miss. Code Ann. § 27-115-65(1). Furthermore, Section 27-115-37 prohibits the bulk sale of lottery tickets.

There is currently nothing in the Lottery Law that authorizes the use of lottery couriers in Mississippi. Lottery couriers as described in your request do not qualify as lottery retailers under the Lottery Law and, thus, are not authorized to sell lottery tickets to the public. Further, the sale of lottery tickets by either a lottery retailer or a lottery courier using a computer, tablet, or smartphone would violate the prohibition against selling lottery tickets by any method involving a "any personal computer, tablet, smartphone, mobile device or other similar equipment or type of device" in Section 27-115-17(2)(d). The sale of lottery tickets through a lottery courier as you describe would not comport with the requirements for in-person sales, including the age verification and signage requirements in Sections 27-115-73 and 27-115-67.

If this office may be of any further assistance to you, please do not hesitate to contact us.

Sincerely,

LYNN FITCH, ATTORNEY GENERAL

By: /s/ Beebe Garrard

Beebe Garrard Special Assistant Attorney General