

HOUSE BILL NO. HB0053

Wyoming lottery for education.

Sponsored by: Representative(s) Wallis and Senator(s) Schiffer

A BILL

for

1 AN ACT relating to lotteries; creating the Wyoming lottery
2 corporation; providing for membership of the board;
3 providing legislative declarations; providing definitions;
4 providing powers and duties; providing for rules and
5 regulations; providing for use of proceeds for educational
6 and other purposes; providing limitations on retailers;
7 providing for criminal offenses and penalties; providing
8 for pari-mutuel permits; amending a definition; providing
9 for background checks; and providing for an effective date.

10

11 *Be It Enacted by the Legislature of the State of Wyoming:*

12

13 **Section 1.** W.S. 21-24-101 through 21-24-128 are
14 created to read:

15

16

CHAPTER 24

1 WYOMING LOTTERY FOR EDUCATION

2

3 **21-24-101. Short title.**

4

5 This chapter shall be known and may be cited as the
6 "Wyoming Lottery for Education Act."

7

8 **21-24-102. Legislative findings and declarations.**

9

10 (a) It is found and declared by the legislature:

11

12 (i) That net proceeds of lottery games conducted
13 pursuant to this chapter shall be used to support
14 improvements and enhancements for educational purposes and
15 programs and that such net proceeds shall be used to
16 supplement, not supplant, existing resources for
17 educational purposes and programs;

18

19 (ii) That lottery games are an entrepreneurial
20 enterprise and that the state shall create a public body,
21 corporate and politic, known as the Wyoming lottery
22 corporation, with comprehensive and extensive powers as
23 generally exercised by corporations engaged in
24 entrepreneurial pursuits;

1

2 (iii) That lottery games shall be operated and
3 managed in a manner which provides continuing entertainment
4 to the public, maximizes revenues and ensures that the
5 lottery is operated with integrity and dignity and free of
6 political influence; and

7

8 (iv) That the Wyoming lottery corporation shall
9 be accountable to the legislature and to the public through
10 a system of audits and reports.

11

12 **21-24-103. Definitions.**

13

14 (a) As used in this chapter:

15

16 (i) "Administrative expenses" means operating
17 expenses, excluding amounts set aside for prizes,
18 regardless of whether such prizes are claimed and excluding
19 amounts held as a fidelity fund pursuant to W.S. 21-24-116;

20

21 (ii) "Board" means the board of directors of the
22 Wyoming lottery corporation;

23

1 (iii) "Central control computer" means a central
2 site computer controlled by the corporation to which all
3 lottery terminals in the state including video lottery
4 terminals communicate for purposes established by the
5 corporation;

6

7 (iv) "Chief executive officer" means the chief
8 executive officer of the Wyoming lottery corporation;

9

10 (v) "Corporation" means the Wyoming lottery
11 corporation;

12

13 (vi) "Lottery," "lotteries," "lottery game" or
14 "lottery games" means any game of chance approved by the
15 board and operated pursuant to this article, including, but
16 not limited to, instant tickets, multi-state games,
17 scratch-off tickets and video lottery terminals;

18

19 (vii) "Major procurement contract" means any
20 gaming product or service costing in excess of seventy-five
21 thousand dollars (\$75,000.00) including, but not limited
22 to, major advertising contracts, annuity contracts, prize
23 payment agreements, consulting services, equipment, tickets
24 and other products and services unique to the Wyoming

1 lottery, but not including materials, supplies, equipment
2 and services common to the ordinary operation of a
3 corporate entity;

4

5 (viii) "Member" or "members" means a director or
6 directors of the board of directors of the Wyoming lottery
7 corporation;

8

9 (ix) "Net proceeds" means all revenue derived
10 from the sale of lottery tickets or shares and all other
11 monies derived from the lottery less operating expenses;

12

13 (x) "Operating expenses" means all costs of
14 doing business, including, but not limited to commissions
15 and other compensation paid to retailers, advertising and
16 marketing costs, personnel costs, capital costs,
17 depreciation of property and equipment and other operating
18 costs but does not include prizes, payments to the state
19 under W.S. 21-24-111(c), unclaimed prize monies set aside
20 under W.S. 21-24-119(g) or amounts set aside for the pari-
21 mutuel commission under W.S. 21-24-111(b);

22

23 (xi) "Pari-mutuel wagering" means as defined in
24 W.S. 11-25-102;

1

2 (xii) "Retailer" means a person who sells
3 lottery tickets or shares on behalf of the corporation
4 pursuant to a contract;

5

6 (xiii) "Share" means any intangible evidence of
7 participation in a lottery game;

8

9 (xiv) "Ticket" means any tangible evidence
10 issued by the lottery to provide participation in a lottery
11 game;

12

13 (xv) "Video lottery terminal" or "terminal"
14 means an electronic machine or other device which, upon
15 insertion of coin, currency, voucher or electronic ticket
16 plays or simulates the play of lottery games as authorized
17 by the corporation and interfaces to a central control
18 computer and by chance, delivers or entitles the player to
19 receive cash, premiums, free games, merchandise, tokens or
20 anything of value whether the payout is made automatically
21 from the device or in any other manner approved by the
22 corporation.

23

1 21-24-104. Wyoming lottery corporation created;
2 membership of board of directors; appointment; terms;
3 filling of vacancies; conflict of interests; reimbursement
4 for expenses; officers; quorum.

5

6 (a) There is created a body corporate and politic to
7 be known as the Wyoming lottery corporation which shall be
8 deemed to be an instrumentality of the state, and not a
9 state agency, and a public corporation.

10

11 (b) The corporation shall be governed by a board of
12 directors composed of nine (9) members appointed by the
13 governor.

14

15 (c) Members shall be residents of the state of
16 Wyoming, shall be prominent persons in their businesses or
17 professions, and shall not have been convicted of any
18 felony offense. Background investigation shall be conducted
19 on each potential board member. The corporation shall be
20 authorized to pay for the actual cost of such
21 investigations and may contract with the division of
22 criminal investigation for the performance of such
23 investigations.

24

1 (d) Members shall serve terms of four (4) years,
2 except that of the initial members appointed, four (4)
3 members shall be appointed for initial terms of two (2)
4 years and five (5) members shall be appointed for initial
5 terms of four (4) years.

6

7 (e) Members of the board shall not have any direct or
8 indirect interest in an undertaking that puts their
9 personal interest in conflict with that of the corporation,
10 including, but not limited to, an interest in a major
11 procurement contract or a participating retailer.

12

13 (f) Each member shall only receive compensation from
14 the corporation for each day or part of a day in which
15 engaged in the performance of their official duties at the
16 same salary and per diem provided members of the state
17 legislature under W.S. 28-5-101 and shall be reimbursed for
18 actual and necessary expenses incurred in the performance
19 of their official duties. Members shall receive no other
20 compensation from the corporation.

21

22 (g) The members shall elect from their membership a
23 chairman and vice chairman. The members shall also elect a
24 secretary and treasurer who may be the chief executive

1 officer of the corporation. Such officers shall serve for
2 such terms as shall be prescribed by the bylaws of the
3 corporation or until their respective successors are
4 elected and qualified. No member of the board shall hold
5 more than any one (1) office of the corporation, except
6 that the same person may serve as secretary and treasurer.

7

8 (h) The board of directors may delegate to any one
9 (1) or more of its members, to the chief executive officer
10 or to any agent or employee of the corporation such powers
11 and duties as it may deem proper.

12

13 (j) A majority of members in office shall constitute
14 a quorum for the transaction of any business and for the
15 exercise of any power or function of the corporation.

16

17 (k) Action may be taken and motions and resolutions
18 adopted by the board at any meeting thereof by the
19 affirmative vote of a majority of present and voting board
20 members.

21

22 (m) No vacancy in the membership of the board shall
23 impair the right of the members to exercise all the powers
24 and perform all the duties of the board.

1

2 **21-24-105. General duties of board of directors.**

3

4 (a) The board of directors shall provide the chief
5 executive officer with private sector perspectives of a
6 large marketing enterprise. The board shall:

7

8 (i) Approve, disapprove, amend or modify the
9 budget recommended by the chief executive officer for the
10 operation of the corporation;

11

12 (ii) Approve, disapprove, amend or modify the
13 terms of major lottery procurements recommended by the
14 chief executive officer;

15

16 (iii) Hear appeals of hearings required by this
17 chapter;

18

19 (iv) Adopt regulations, policies and procedures
20 relating to the conduct of lottery games and as specified
21 in W.S. 21-24-108; and

22

23 (v) Perform such other functions as specified by
24 this chapter.

1

2 **21-24-106. Appointment of chief executive officer;**
3 **compensation.**

4

5 The board of directors shall appoint and shall provide for
6 the compensation of a chief executive officer who shall be
7 an employee of the corporation and who shall direct the
8 day-to-day operations and management of the corporation and
9 shall be vested with such powers and duties as specified by
10 the board and by law. The chief executive officer shall
11 serve at the pleasure of the board.

12

13 **21-24-107. General powers of corporation.**

14

15 (a) The corporation shall have any and all powers
16 necessary or convenient to its usefulness in carrying out
17 and effectuating the purposes and provisions of this
18 chapter which are not in conflict with the constitution of
19 this state and which are generally exercised by
20 corporations engaged in entrepreneurial pursuits,
21 including, but without limiting the generality of the
22 foregoing, the following powers:

23

1 (i) To sue and be sued in contract and in tort
2 and to complain and defend in all courts;

3

4 (ii) To adopt and alter a seal;

5

6 (iii) To adopt, amend and repeal bylaws,
7 regulations and policies and procedures for the regulation
8 of its affairs and the conduct of its business, to elect
9 and prescribe the duties of officers and employees of the
10 corporation and to perform such other matters as the
11 corporation may determine. In the adoption of bylaws,
12 regulations, policies and procedures or in the exercise of
13 any regulatory power, the corporation shall be exempt from
14 the requirements of W.S. 16-3-101 through 16-3-115;

15

16 (iv) To procure or to provide insurance;

17

18 (v) To hold copyrights, trademarks and service
19 marks and enforce its rights with respect thereto;

20

21 (vi) To initiate, supervise and administer the
22 operation of the lottery in accordance with the provisions
23 of this chapter and regulations, policies and procedures
24 adopted pursuant thereto;

1

2 (vii) To enter into written agreements with one
3 (1) or more other states or sovereigns for the operation,
4 participation in marketing and promotion of a joint lottery
5 or joint lottery games;

6

7 (viii) To conduct such market research as is
8 necessary or appropriate, which may include an analysis of
9 the demographic characteristics of the players of each
10 lottery game and an analysis of advertising, promotion,
11 public relations, incentives and other aspects of
12 communication;

13

14 (ix) To acquire or lease real property and make
15 improvements thereon and acquire by lease or by purchase
16 personal property, including, but not limited to,
17 computers, mechanical, electronic and on-line equipment and
18 terminals and intangible property, including, but not
19 limited to, computer programs, systems and software;

20

21 (x) To enter into contracts to incur debt in its
22 own name and enter into financing agreements with the
23 state, agencies or instrumentalities of the state or with
24 any commercial bank or credit provider;

1

2 (xi) To be authorized to administer oaths, take
3 depositions, issue subpoenas and compel the attendance of
4 witnesses and the production of books, papers, documents
5 and other evidence relative to any investigation or
6 proceeding conducted by the corporation;

7

8 (xii) To appoint and select officers, agents and
9 employees, including professional and administrative staff
10 and personnel, including hearing officers to conduct
11 hearings required by this article, and to fix their
12 compensation, pay their expenses and provide a benefit
13 program, including, but not limited to, a retirement plan
14 and a group insurance plan;

15

16 (xiii) To select and contract with vendors and
17 retailers;

18

19 (xiv) To enter into contracts or agreements with
20 state or local law enforcement agencies for the performance
21 of law enforcement, background investigations and security
22 checks;

23

1 (xv) To enter into contracts of any and all
2 types on such terms and conditions as the corporation may
3 determine;

4

5 (xvi) To establish and maintain banking
6 relationships, including, but not limited to, establishment
7 of checking and savings accounts and lines of credit;

8

9 (xvii) To advertise and promote the lottery and
10 lottery games;

11

12 (xviii) To act as a retailer, to conduct
13 promotions which involve the dispensing of lottery tickets
14 or shares and to establish and operate a sales facility to
15 sell lottery tickets or shares and any related merchandise;
16 and

17

18 (xix) To adopt and amend such regulations,
19 policies and procedures as necessary to carry out and
20 implement its powers and duties, organize and operate the
21 corporation, regulate the conduct of lottery games in
22 general and any other matters necessary or desirable for
23 the efficient and effective operation of the lottery or the
24 convenience of the public. The promulgation of any such

1 regulations, policies and procedures shall be exempt from
2 the requirements of W.S. 16-3-101 through 16-3-115.

3

4 (b) The powers enumerated in subsection (a) of this
5 section are cumulative of and in addition to those powers
6 enumerated elsewhere in this chapter and no such powers
7 limit or restrict any other powers of the corporation.

8

9 **21-24-108. Adoption by board of procedures regulating**
10 **conduct of lottery games.**

11

12 (a) The board may adopt regulations, policies and
13 procedures regulating the conduct of lottery games in
14 general, including, but not limited to, regulations,
15 policies and procedures specifying:

16

17 (i) The type of games to be conducted,
18 including, but not limited to, instant lotteries, scratch
19 off ticket games, multi-state, video lottery terminals and
20 other games traditional to the lottery. The conduct of
21 lotteries using video lottery terminals shall be limited as
22 provided in W.S. 21-24-114;

23

1 (ii) The sale price of tickets or shares and the
2 manner of sale, provided, however, that all sales shall be
3 for cash only and payment by checks, credit cards, charge
4 cards or any form of deferred payment is prohibited;

5

6 (iii) The number and amount of prizes;

7

8 (iv) The method and location of selecting or
9 validating winning tickets or shares;

10

11 (v) The manner and time of payment of prizes,
12 which may include lump sum payments or installments over a
13 period of years;

14

15 (vi) The manner of payment of prizes to the
16 holders of winning tickets or shares, including without
17 limitation provision for payment of prizes not exceeding
18 six hundred dollars (\$600.00) after deducting the price of
19 the ticket or share and after performing validation
20 procedures appropriate to the game and as specified by the
21 board. The board may provide for a limited number of
22 retailers who can pay prizes of up to five thousand dollars
23 (\$5,000.00) after performing validation procedures

1 appropriate to the game and as specified by the board
2 without regard to where such ticket or share was purchased;

3

4 (vii) The frequency of games and drawings or
5 selection of winning tickets or shares;

6

7 (viii) The means of conducting drawings;

8

9 (ix) The method to be used in selling tickets or
10 shares, which includes the use of video lottery terminals
11 as provided in W.S. 22-24-114, but such devices may be
12 placed only in locations on the premises of the lottery
13 retailer which are within the view of such retailer or an
14 employee of such retailer. All video lottery terminals
15 shall bear a conspicuous label prohibiting the use of such
16 device by persons less than eighteen (18) years of age. A
17 lottery retailer who knowingly allows a person less than
18 eighteen (18) years of age to purchase a lottery ticket or
19 share from a video lottery terminal shall be subject to the
20 penalties provided in W.S. 21-24-123;

21

22 (x) The manner and amount of compensation to
23 lottery retailers; and

24

1 (xi) Any and all other matters necessary,
2 desirable or convenient toward ensuring the efficient and
3 effective operation of lottery games, the continued
4 entertainment and convenience of the public and the
5 integrity of the lottery.

6

7 **21-24-109. Duties of chief executive officer.**

8

9 (a) The chief executive officer of the corporation
10 shall direct and supervise all administrative and technical
11 activities in accordance with the provisions of this
12 chapter and with the regulations, policies and procedures
13 adopted by the board. It shall be the duty of the chief
14 executive officer to:

15

16 (i) Facilitate the initiation and supervise and
17 administer the operation of the lottery games;

18

19 (ii) Employ and direct such personnel as deemed
20 necessary;

21

22 (iii) Employ by contract and compensate such
23 persons and firms as deemed necessary;

24

1 (iv) Promote or provide for promotion of the
2 lottery and any functions related to the corporation;

3

4 (v) Prepare a budget for the approval of the
5 board;

6

7 (vi) Require bond from retailers and vendors in
8 amounts as required by the board;

9

10 (vii) Report quarterly to the state auditor, the
11 joint revenue interim committee and the board a full and
12 complete statement of lottery revenues and expenses for the
13 preceding quarter; and

14

15 (viii) Perform other duties generally associated
16 with a chief executive officer of a corporation of an
17 entrepreneurial nature.

18

19 (b) The chief executive officer may for good cause
20 suspend, revoke or refuse to renew any contract entered
21 into in accordance with the provisions of this chapter or
22 the regulations, policies and procedures of the board.

23

1 (c) The chief executive officer or his designee may
2 conduct hearings and administer oaths to persons for the
3 purpose of assuring the security or integrity of lottery
4 operations or to determine the qualifications of or
5 compliance by vendors and retailers.

6

7 **21-24-110. Employees; compensation; restrictions;**
8 **background investigations; bonding.**

9

10 (a) The corporation shall establish and maintain a
11 personnel program for its employees and fix the
12 compensation and terms of compensation of its employees,
13 including, but not limited to, production incentive
14 payments.

15

16 (b) No employee of the corporation shall have a
17 financial interest in any vendor doing business or
18 proposing to do business with the corporation.

19

20 (c) No employee of the corporation with decision
21 making authority shall participate in any decision
22 involving a retailer with whom the employee has a financial
23 interest.

24

1 (d) No employee of the corporation who leaves the
2 employment of the corporation may represent any vendor or
3 lottery retailer before the corporation for a period of two
4 (2) years following termination of employment with the
5 corporation.

6
7 (e) Background investigation shall be conducted on
8 each applicant who has reached the final selection process
9 prior to employment by the corporation at the level of
10 division director and above and at any level within any
11 division of security and as otherwise required by the
12 board. The corporation shall be authorized to pay for the
13 actual cost of such investigations and may contract with
14 the division of criminal investigation for the performance
15 of such investigations.

16
17 (f) No person who has been convicted of a felony or
18 bookmaking or other forms of illegal gambling or of a crime
19 involving moral turpitude shall be employed by the
20 corporation.

21
22 (g) The corporation shall bond corporation employees
23 with access to corporation funds or lottery revenue in such

1 an amount as provided by the board and may bond other
2 employees as deemed necessary.

3

4 **21-24-111. Disposition of lottery proceeds; budget**
5 **report by governor; appropriations by legislature.**

6

7 (a) As nearly as practical, at least forty-five
8 percent (45%) of the net proceeds from the sale of lottery
9 tickets or shares but not including sales from video
10 lottery terminals shall be made available as prize money,
11 provided, however, that this subsection shall be deemed not
12 to create any lien, entitlement, cause of action or other
13 private right and any rights of holders of tickets or
14 shares shall be determined by the corporation in setting
15 the terms of its lottery or lotteries.

16

17 (b) Of the annual net proceeds from video lottery
18 games attributable to retailers located at facilities where
19 pari-mutuel events, as defined in W.S. 11-25-102, occur in
20 Wyoming:

21

22 (i) One percent (1%) shall be paid to the
23 Wyoming pari-mutuel commission to enhance breeder awards as
24 provided in W.S. 11-25-102(a)(i);

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(ii) One-half percent (1/2%) shall be paid to the Wyoming pari-mutuel commission for general operations;

(iii) One percent (1%) shall be paid to the Wyoming pari-mutuel commission for purposes of funding annual grants exclusively for use in hosting, marketing and capital expenditures for equestrian events at state and county fairgrounds and licensed pari-mutuel facilities in Wyoming;

(iv) One-half percent (1/2%) shall be paid in equal shares to county governments wherein retailers located at facilities where pari-mutuel events occur, which are licensed under this act, are located.

(c) On or before the fifteenth day of each quarter, the corporation shall transfer to the general fund of the state treasury, for credit to the lottery for education account, the amount of all net proceeds minus prizes and amounts paid pursuant to subsections (a) and (b) of this section during the preceding quarter. Upon their deposit into the state treasury, any monies representing a deposit of net proceeds shall then become the unencumbered property

1 of the state of Wyoming and the corporation shall have no
2 power to agree or undertake otherwise. Such monies shall
3 be invested by the state treasurer in accordance with state
4 investment practices. All earnings attributable to such
5 investments shall likewise be the unencumbered property of
6 the state and shall accrue to the credit of the lottery for
7 education account.

8

9 (d) Monies in the lottery for education account shall
10 only be appropriated to the Hathaway scholarship endowment
11 fund created under W.S. 9-4-204(u)(vii).

12

13 (e) No deficiency in the lottery for education
14 account shall be replenished by book entries reducing any
15 nonlottery reserve of general funds, nor shall any program
16 or project started specifically from lottery proceeds be
17 continued from the general fund. Such programs shall be
18 adjusted or discontinued according to available lottery
19 proceeds unless the legislature by general law establishes
20 eligibility requirements and appropriates specific funds
21 within the budget. Nor shall any nonlottery surplus in the
22 general fund be reduced. No surplus in the lottery for
23 education account shall be reduced to correct any

1 nonlottery deficiencies in sums available for general
2 appropriations.

3

4 **21-24-112. Investigation of vendors; disclosure**
5 **requirements; restrictions on entry into major procurement**
6 **contracts.**

7

8 (a) The corporation shall investigate the financial
9 responsibility, security and integrity of any lottery
10 system vendor who is a finalist in submitting a bid,
11 proposal or offer. At the time of submitting such bid,
12 proposal or offer to the corporation, the corporation may
13 require the following items:

14

15 (i) A disclosure of the vendor's name and
16 address and, as applicable, the names and addresses of the
17 following:

18

19 (A) If the vendor is a corporation, the
20 officers, directors and each stockholder in such
21 corporation, provided, however, that in the case of owners
22 of equity securities of a publicly traded corporation, only
23 the names and addresses of those known to the corporation

1 to own beneficially five percent (5%) or more of such
2 securities need be disclosed;

3

4 (B) If the vendor is a trust, the trustee
5 and all persons entitled to receive income or benefits from
6 the trust;

7

8 (C) If the vendor is an association, the
9 members, officers and directors; and

10

11 (D) If the vendor is a partnership or joint
12 venture, all of the general partners, limited partners or
13 joint venturers.

14

15 (ii) A disclosure of all the states and
16 jurisdictions in which the vendor does business and the
17 nature of the business for each such state or jurisdiction;

18

19 (iii) A disclosure of all the states and
20 jurisdictions in which the vendor has contracts to supply
21 gaming goods or services, including, but not limited to,
22 lottery goods and services and the nature of the goods or
23 services involved for each such state or jurisdiction;

24

1 (iv) A disclosure of all the states and
2 jurisdictions in which the vendor has applied for, has
3 sought renewal of, has received, has been denied, has
4 pending or has had revoked a lottery or gaming license of
5 any kind or had fines or penalties assessed to his license,
6 contract or operation and the disposition in each such
7 state or jurisdiction. If any lottery or gaming license or
8 contract has been revoked or has not been renewed or any
9 lottery or gaming license or application has been either
10 denied or is pending and has remained pending for more than
11 six (6) months, all of the facts and circumstances
12 underlying the failure to receive the license shall be
13 disclosed;

14

15 (v) A disclosure of the details of any finding
16 or plea, conviction or adjudication of guilt in a state or
17 federal court of the vendor for any felony or any other
18 criminal offense other than a traffic violation;

19

20 (vi) A disclosure of the details of any
21 bankruptcy, insolvency, reorganization or corporate or
22 individual purchase or takeover of another corporation,
23 including bonded indebtedness, or any pending litigation of
24 the vendor; and

1

2 (vii) Such additional disclosures and
3 information as the corporation may determine to be
4 appropriate for the procurement involved. If at least
5 twenty-five percent (25%) of the cost of a vendor's
6 contract is subcontracted, the vendor shall disclose all of
7 the information required by this section for the
8 subcontractor as if the subcontractor were itself a vendor.

9

10 (b) A lottery major procurement contract shall not be
11 entered into with any lottery system vendor who has not
12 complied with the disclosure requirements described in
13 subsection (a) of this section and any contract with such a
14 vendor is voidable at the option of the corporation. Any
15 contract with a vendor who does not comply with such
16 requirements for periodically updating such disclosures
17 during the tenure of contract as may be specified in the
18 contract may be terminated by the corporation. The
19 provisions of this section shall be construed broadly and
20 liberally to achieve the ends of full disclosure of all
21 information necessary to allow for a full and complete
22 evaluation by the corporation of the competence, integrity,
23 background and character of vendors for procurements.

24

1 (c) A major procurement contract shall not be entered
2 into with any vendor who has been found guilty of a felony
3 related to the security or integrity of the lottery in this
4 or any other jurisdiction.

5

6 (d) A major procurement contract shall not be entered
7 into with any vendor if such vendor has an ownership
8 interest in an entity that had supplied consultation
9 services under contract to the corporation regarding the
10 request for proposals pertaining to those particular goods
11 or services.

12

13 (e) No lottery system vendor nor any applicant for a
14 major procurement contract may pay, give or make any
15 economic opportunity, gift, loan, gratuity, special
16 discount, favor, hospitality or service, excluding food and
17 beverages having an aggregate value not exceeding one
18 hundred dollars (\$100.00) in any calendar year, to the
19 chief executive officer, any board member or any employee
20 of the corporation or to a member of the immediate family
21 residing in the same household as any such person.

22

23 **21-24-113. Bonding requirements for vendors;**
24 **qualifications of vendors; competitive bid requirement.**

1

2 (a) Each vendor shall, at the execution of the
3 contract with the corporation, post a performance bond or
4 letter of credit from a bank or credit provider acceptable
5 to the corporation in an amount as deemed necessary by the
6 corporation for that particular bid or contract. In lieu
7 of the bond, a vendor may, to assure the faithful
8 performance of its obligations, deposit and maintain with
9 the corporation securities that are interest bearing or
10 accruing and that are rated in one (1) of the three (3)
11 highest classifications by an established nationally
12 recognized investment rating service. Securities eligible
13 under this section are limited to:

14

15 (i) Certificates of deposit issued by solvent
16 banks or savings associations approved by the corporation
17 and which are organized and existing under the laws of this
18 state or under the laws of the United States;

19

20 (ii) United States bonds, notes and bills for
21 which the full faith and credit of the government of the
22 United States is pledged for the payment of principal and
23 interest; and

24

1 (iii) Corporate bonds approved by the
2 corporation. The corporation which issued the bonds shall
3 not be an affiliate or subsidiary of the depositor. Such
4 securities shall be held in trust and shall have at all
5 times a market value at least equal to the full amount
6 estimated to be paid annually to the lottery vendor under
7 contract.

8

9 (b) Each vendor shall be qualified to do business in
10 this state. All contracts under this chapter shall be
11 governed by the laws of this state.

12

13 (c) No contract shall be let with any vendor in which
14 a public official has an ownership interest of ten percent
15 (10%) or more.

16

17 (d) All major procurement contracts shall be
18 competitively bid pursuant to policies and procedures
19 approved by the board unless there is only one (1)
20 qualified vendor and that vendor has an exclusive right to
21 offer the service or product.

22

23 **21-24-114. Statewide network of retailers;**
24 **commissions; certificate of authority; qualifications of**

1 **retailers; fees for outlets; review of activities; gifts or**
2 **gratuities; rules regarding placement of video lottery**
3 **terminals and video lottery terminal retailers.**

4

5 (a) The legislature recognizes that to conduct a
6 successful lottery, the corporation needs to develop and
7 maintain a statewide network of lottery retailers that will
8 serve the public convenience and promote the sale of
9 tickets or shares and the playing of lottery games while
10 ensuring the integrity of the lottery operations, games and
11 activities.

12

13 (b) The corporation shall make every effort to
14 provide small retailers a chance to participate in the
15 sales of lottery tickets or shares.

16

17 (c) Except as provided in subsection (g) of this
18 section, the corporation shall provide for compensation to
19 lottery retailers in the form of commissions in an amount
20 of not less than six percent (6%) of gross sales and may
21 provide for other forms of compensation for services
22 rendered in the sale or cashing of lottery tickets or
23 shares.

24

1 (d) The corporation shall issue a certificate of
2 authority to each person with whom it contracts as a
3 retailer for purposes of display. Every lottery retailer
4 shall post and keep conspicuously displayed in a location
5 on the premises accessible to the public its certificate of
6 authority. No certificate shall be assignable or
7 transferable.

8

9 (e) The board shall develop a list of objective
10 criteria upon which the qualification of lottery retailers
11 shall be based. Additional criteria governing the
12 selection of retailers using video lottery terminals shall
13 be as provided in subsections (f) and (g) of this section.
14 In developing these criteria, the board shall consider such
15 factors as the applicant's financial responsibility,
16 security of the applicant's place of business or activity,
17 accessibility to the public, integrity and reputation. The
18 board shall not consider political affiliation, activities
19 or monetary contributions to political organizations or
20 candidates for any public office.

21

22 (f) Certificates of authority shall only be issued
23 for video lottery terminals located at pari-mutuel horse
24 racetracks in the state, where the retailer is licensed by

1 the Wyoming pari-mutuel commission, where live races are
2 conducted and which meet the requirements set forth in
3 subsection (g) of this section. No more than four (4)
4 certificates of authority shall be issued under this
5 section and no certificate of authority shall be issued for
6 any facility located within one hundred (100) miles of an
7 existing holder of a certificate of authority. No person
8 shall be issued more than two (2) certificates of authority
9 under this subsection. Video lottery terminals shall only
10 be placed on the premises where live races are conducted.
11 The following provisions apply exclusively to video lottery
12 terminal retailers:

13

14 (i) Video lottery terminal retailers shall pay
15 an initial application fee of one million dollars
16 (\$1,000,000.00) for each pari-mutuel race track wherein
17 video lottery terminals will be located. The application
18 fee shall be paid by the applicant upon filing of the
19 application;

20

21 (ii) Video lottery terminal retailers may
22 purchase, lease or otherwise provide under service
23 agreement their own video lottery terminals which shall be
24 connected with the corporation's central control computer

1 in a manner that ensures the integrity of the corporation's
2 system;

3

4 (iii) The corporation shall provide for the
5 compensation to video lottery terminal retailers in the
6 form of commission in an amount of not less than fifty-
7 eight percent (58%) of gross sales and may provide for
8 other forms of compensation for services rendered in the
9 sale or cashing of lottery tickets or shares. Video
10 lottery terminal retailers shall provide four percent (4%)
11 of their commission on gross sales to a segregated purse
12 account to be used to supplement purses at the pari-mutuel
13 race track facility wherein the video lottery terminals are
14 located.

15

16 (g) Certificates of authority shall only be issued
17 for video lottery terminals under subsection (f) of this
18 section for facilities that have been issued a license by
19 the Wyoming pari-mutuel commission to conduct live horse
20 racing in any of the three (3) years immediately preceding
21 the effective date of this act, or that meet the following
22 requirements:

23

1 (i) The facility shall have at least a five-
2 eighths (5/8) mile racing oval with a safety rail;

3

4 (ii) The facility shall have all weather
5 enclosed stalls available for at least eight hundred (800)
6 horses;

7

8 (iii) The facility shall be a permanent climate
9 controlled structure with enclosed grandstand capable of
10 seating at least four thousand (4,000) patrons complete
11 with full food service and beverage concessions,
12 administrative offices, life and safety offices, racing
13 commission offices, jockeys quarters and secured areas for
14 money rooms and pari-mutuel lines;

15

16 (iv) The facility shall be operated by a private
17 for profit operator.

18

19 **21-24-115. Retailer contracts not transferable or**
20 **assignable; restriction on contracts and sales.**

21

22 (a) No lottery retailer contract shall be
23 transferable or assignable. No lottery retailer shall

1 contract with any person for lottery goods or services
2 except with the approval of the board.

3

4 (b) Lottery tickets and shares shall only be sold by
5 the retailer stated on the lottery retailer certificate.

6

7 **21-24-116. Fidelity fund for retailers; assessments.**

8

9 (a) The corporation may establish a fidelity fund
10 separate from all other funds and shall assess each
11 retailer a one (1) time fee not to exceed one hundred
12 dollars (\$100.00) per sales location. The corporation is
13 authorized to invest the funds or place such funds in one
14 (1) or more interest bearing accounts. Monies deposited to
15 the fund may be used to cover losses the corporation
16 experiences due to nonfeasance, misfeasance or malfeasance
17 of a lottery retailer. In addition, the funds may be used
18 to purchase blanket bonds covering the Wyoming lottery
19 corporation against losses from all retailers. At the end
20 of each fiscal year, the corporation shall pay to the
21 general lottery fund any amount in the fidelity fund which
22 exceeds five hundred thousand dollars (\$500,000.00) and
23 such funds shall be commingled with and treated as net
24 proceeds from the lottery.

1

2 (b) A reserve account may be established as a general
3 operating expense to cover amounts deemed uncollectible.
4 The corporation shall establish procedures for minimizing
5 any losses that may be experienced for the foregoing
6 reasons and shall exercise and exhaust all available
7 options in such procedures prior to amounts being written
8 off to this account.

9

10 (c) The corporation may require any retailer to post
11 an appropriate bond, as determined by the corporation,
12 using an insurance company acceptable to the corporation.
13 The amount shall not exceed the applicable district sales
14 average of lottery tickets for two (2) billing periods.

15

16 (d) In its discretion, the corporation may allow a
17 retailer to deposit and maintain with the corporation
18 securities, held in trust in the name of the Wyoming
19 lottery corporation, that are interest bearing or accruing.
20 Securities eligible under this subsection shall be limited
21 to:

22

23 (i) Certificates of deposit issued by solvent
24 banks or savings associations organized and existing under

1 the laws of this state or under the laws of the United
2 States;

3

4 (ii) United States bonds, notes and bills for
5 which the full faith and credit of the United States is
6 pledged for the payment of principal and interest;

7

8 (iii) Federal agency securities by an agency or
9 instrumentality of the United States government.

10

11 **21-24-117. Cancellation, suspension, revocation or**
12 **termination of retail contracts.**

13

14 Any retail contract executed by the corporation pursuant to
15 this chapter shall specify the reasons for which a contract
16 may be cancelled, suspended, revoked or terminated by the
17 corporation.

18

19 **21-24-118. Restrictions on sale of tickets or shares;**
20 **price; gifts and promotions.**

21

22 (a) No person shall sell a ticket or share at a price
23 other than established by the corporation unless authorized
24 in writing by the chief executive officer. No person other

1 than a duly certified lottery retailer shall sell lottery
2 tickets, but this subsection shall not be construed to
3 prevent a person who may lawfully purchase tickets or
4 shares from making a gift of lottery tickets or shares to
5 another. Nothing in this chapter shall be construed to
6 prohibit the corporation from designating certain of its
7 agents and employees to sell or give lottery tickets or
8 shares directly to the public.

9

10 (b) Lottery tickets or shares may be given by
11 merchants as a means of promoting goods or services to
12 customers or prospective customers subject to prior
13 approval by the corporation.

14

15 (c) No lottery retailer shall sell a lottery ticket
16 or share except from the locations listed in his contract
17 and as evidenced by his certificate of authorization unless
18 the corporation authorizes in writing any temporary
19 location not listed in his contract.

20

21 (d) No lottery tickets or shares shall be sold to
22 persons under eighteen (18) years of age, but this
23 subsection does not prohibit the purchase of a lottery
24 ticket or share by a person eighteen (18) years of age or

1 older for the purpose of making a gift to any person of any
2 age. In such case, the corporation shall direct payment of
3 proceeds of any lottery prize to an adult member of the
4 person's family or a legal representative of the person on
5 behalf of the underage person.

6

7 **21-24-119. Prize proceeds subject to attachments,**
8 **garnishments or executions; validation of winning tickets;**
9 **prohibited purchases; money dispensing machines; unclaimed**
10 **prize money.**

11

12 (a) Except as otherwise provided in this chapter,
13 attachments, garnishments or executions authorized and
14 issued pursuant to law shall be withheld if timely served
15 upon the corporation. This subsection shall not apply to a
16 retailer.

17

18 (b) The corporation shall adopt regulations, policies
19 and procedures to establish a system of verifying the
20 validity of tickets or shares claimed to win prizes and to
21 effect payment of such prizes, except that:

22

23 (i) No prize, any portion of a prize or any
24 right of any person to a prize awarded shall be assignable.

1 Any prize or any portion of a prize remaining unpaid at the
2 death of a prize winner shall be paid to the estate of the
3 deceased prize winner or to the trustee of a trust
4 established by the deceased prize winner as settlor if a
5 copy of the trust document or instrument has been filed
6 with the corporation along with a notarized letter of
7 direction from the settlor and no written notice of
8 revocation has been received by the corporation prior to
9 the settlor's death. Following a settlor's death and prior
10 to any payment to such a successor trustee, the corporation
11 shall obtain from the trustee a written agreement to
12 indemnify and hold the corporation harmless with respect to
13 any claims that may be asserted against the corporation
14 arising from payment to or through the trust.
15 Notwithstanding any other provisions of this section, any
16 person, pursuant to an appropriate judicial order, shall be
17 paid the prize to which a winner is entitled;

18

19 (ii) No prize shall be paid arising from claimed
20 tickets that are:

21

22 (A) Stolen, counterfeit, altered,
23 fraudulent, unissued, produced or issued in error,

1 unreadable, not received or not recorded by the corporation
2 within applicable deadlines;

3

4 (B) Lacking in captions that conform and
5 agree with the play symbols as appropriate to the
6 particular lottery game involved; or

7

8 (C) Not in compliance with such additional
9 specific regulations and public or confidential validation
10 and security tests of the corporation appropriate to the
11 particular lottery game involved.

12

13 (iii) No particular prize in any lottery game
14 shall be paid more than once, and in the event of a
15 determination that more than one (1) claimant is entitled
16 to a particular prize, the sole remedy of such claimants is
17 the award to each of them of an equal share in the prize;
18 and

19

20 (iv) A holder of a winning cash ticket or share
21 from a lottery game shall claim a cash prize within one
22 hundred eighty (180) days, or for a multi-state or multi-
23 sovereign lottery game within one hundred eighty (180)
24 days, after the drawing in which the cash prize was won.

1 In any Wyoming lottery game in which the player may
2 determine instantly if he has won or lost, he shall claim a
3 cash prize within ninety (90) days, or for a multi-state
4 lottery game within one hundred eighty (180) days, after
5 the end of the lottery game. If a valid claim is not made
6 for a cash prize within the applicable period, the cash
7 prize shall constitute an unclaimed prize for purposes of
8 this section.

9

10 (c) No prize shall be paid upon a ticket or share
11 purchased or sold in violation of this chapter. Any such
12 prize shall constitute an unclaimed prize for purposes of
13 this section.

14

15 (d) The corporation is discharged of all liability
16 upon payment of a prize.

17

18 (e) No ticket or share shall be purchased by and no
19 prize shall be paid to any member of the board of
20 directors, any officer or employee of the corporation or to
21 any spouse, child, brother, sister or parent residing as a
22 member of the same household in the principal place of
23 residence of any such person. No ticket or share shall be
24 purchased by and no prize shall be paid to any officer,

1 employee, agent or subcontractor of any vendor or to any
2 spouse, child, brother, sister or parent residing as a
3 member of the same household in the principal place of
4 residence of any such person if such officer, employee,
5 agent or subcontractor has access to confidential
6 information which may compromise the integrity of the
7 lottery.

8

9 (f) No lottery game utilizing an electronic or
10 mechanical machine may use a machine which dispenses coins
11 or currency.

12

13 (g) Unclaimed prize money shall not constitute net
14 lottery proceeds. A portion of unclaimed prize money, not
15 to exceed two hundred thousand dollars (\$200,000.00)
16 annually, shall be paid from the corporation to the
17 department of health for the treatment of compulsive
18 gambling disorder and educational programs related to such
19 disorder. In addition, unclaimed prize money may be added
20 to the pool from which future prizes are to be awarded or
21 used for special prize promotions.

22

23 **21-24-120. Confidentiality of information;**
24 **investigations; supervision and inspections; reports of**

1 **suspected violations; assistance in investigation of**
2 **violations.**

3

4 (a) Except as authorized in this chapter, the
5 corporation is subject to the provisions of W.S. 16-4-201
6 through 16-4-205. The corporation is specifically
7 authorized to determine which information relating to the
8 operation of the lottery is confidential. Such information
9 includes trade secrets, security measures, systems or
10 procedures, security reports, information concerning bids
11 or other contractual data, the disclosure of which would
12 impair the efforts of the corporation to contract for goods
13 or services on favorable terms, employee personnel
14 information unrelated to compensation, duties,
15 qualifications or responsibilities and information obtained
16 pursuant to investigations which is otherwise confidential.
17 Information deemed confidential pursuant to this subsection
18 is exempt from the provisions of W.S. 16-4-201 through
19 16-4-205. Meetings or portions of meetings devoted to
20 discussing information deemed confidential pursuant to this
21 subsection are exempt from W.S. 16-4-201 through 16-4-205.

22

23 (b) The corporation shall perform full criminal
24 background investigations on all potential vendors prior to

1 the execution of any vendor contract. The corporation shall
2 be authorized to pay for the actual cost of such
3 investigations and may contract with the division of
4 criminal investigation for the performance of such
5 investigations.

6

7 (c) The corporation or its authorized agent shall:

8

9 (i) Conduct criminal background investigations
10 and credit investigations on all potential retailers. The
11 corporation shall be authorized to pay for the actual cost
12 of such investigations and may contract with the division
13 of criminal investigation for the performance of such
14 investigations;

15

16 (ii) Supervise ticket or share validation and
17 lottery drawings;

18

19 (iii) Inspect at times, determined solely by the
20 corporation, the facilities of any vendor or lottery
21 retailer in order to determine the integrity of the
22 vendor's product or the operations of the retailer in order
23 to determine whether the vendor or the retailer is in
24 compliance with its contract;

1

2 (iv) Report any suspected violations of this
3 chapter to the appropriate district attorney or the
4 attorney general and to any law enforcement agencies having
5 jurisdiction over the violation; and

6

7 (v) Upon request, provide assistance to any
8 district attorney, the attorney general or a law
9 enforcement agency investigating a violation of this
10 chapter.

11

12 **21-24-121. Sales to minors; penalty; affirmative**
13 **defense.**

14

15 Any person who knowingly sells a lottery ticket or share to
16 a person under eighteen (18) years of age or permits a
17 person under eighteen (18) years of age to play any lottery
18 game shall be guilty of a misdemeanor and shall be fined
19 not less than one hundred dollars (\$100.00) nor more than
20 five hundred dollars (\$500.00) for the first offense and
21 for each subsequent offense not less than two hundred
22 dollars (\$200.00) nor more than one thousand dollars
23 (\$1,000.00). It shall be an affirmative defense to a
24 charge of a violation under this section that the retailer

1 reasonably and in good faith relied upon representation of
2 proof of age in making the sale.

3

4 **21-24-122. Penalty for falsely making, altering,**
5 **forging, uttering, passing or counterfeiting ticket;**
6 **penalty for attempting to influence winning of prize.**

7

8 (a) Any person who, with intent to defraud, falsely
9 makes, alters, forges, utters, passes or counterfeits a
10 state lottery ticket shall be punished by a fine not to
11 exceed fifty thousand dollars (\$50,000.00), imprisonment
12 for not more than five (5) years, or both.

13

14 (b) Any person who influences or attempts to
15 influence the winning of a prize through the use of
16 coercion, fraud, deception or tampering with lottery
17 equipment or materials shall be punished by a fine not to
18 exceed fifty thousand dollars (\$50,000.00), imprisonment
19 for not more than five (5) years, or both.

20

21 **21-24-123. Penalty for making false statements or**
22 **false entries in books or records.**

23

1 No person shall knowingly or intentionally make a material
2 false statement in any application for a license or
3 proposal to conduct lottery activities or make a material
4 false entry in any book or record which is compiled or
5 maintained or submitted to the board pursuant to the
6 provisions of this chapter. Any person who violates the
7 provisions of this section shall be punished by a fine not
8 to exceed twenty-five thousand dollars (\$25,000.00) or the
9 dollar amount of the false entry or statement, whichever is
10 greater, by imprisonment for not more than five (5) years,
11 or both.

12

13 **21-24-124. Agreements with agencies of other**
14 **jurisdictions; restriction on release of records, documents**
15 **and information.**

16

17 (a) The corporation may enter into intelligence
18 sharing, reciprocal use or restricted use agreements with
19 the federal government, law enforcement agencies, lottery
20 regulation agencies and gaming enforcement agencies of
21 other jurisdictions which provide for and regulate the use
22 of information provided and received pursuant to the
23 agreement.

24

1 (b) Records, documents and information in the
2 possession of the corporation received pursuant to an
3 intelligence sharing, reciprocal use or restricted use
4 agreement entered into by the corporation with a federal
5 department or agency, any law enforcement agency or the
6 lottery regulation or gaming enforcement agency of any
7 jurisdiction shall be considered investigative records of a
8 law enforcement agency and are not subject to W.S. 16-4-201
9 through 16-4-205 and shall not be released under any
10 condition without the permission of the person or agency
11 providing the record or information.

12

13 **21-24-125. Bidding requirements and procedures for**
14 **contracts.**

15

16 (a) The corporation shall enter into its contracts
17 for procurements after competitive bidding. The requirement
18 for competitive bidding does not apply in the case of a
19 single vendor having exclusive rights to offer a particular
20 service or product. Procedures adopted by the board shall
21 be designed to allow the selection of proposals that
22 provide the greatest long-term benefit to the state, the
23 greatest integrity for the corporation and the best service
24 and products for the public.

1

2 (b) In any bidding process, the corporation may
3 administer its own bidding and procurement or may utilize
4 the services of the department of administration and
5 information or other state agency or subdivision thereof.

6

7 **21-24-126. Appeals from actions of board.**

8

9 (a) Any retailer, vendor or applicant for a retailer
10 or vendor contract aggrieved by an action of the board may
11 appeal that decision to the first judicial district court.

12

13 (b) The first judicial district court shall hear
14 appeals from decisions of the board and based upon the
15 record of the proceedings before the board may reverse the
16 decision of the board only if the appellant proves the
17 decision to be:

18

19 (i) Clearly erroneous;

20

21 (ii) Arbitrary and capricious;

22

23 (iii) Procured by fraud;

24

1 (iv) A result of substantial misconduct by the
2 board; or

3

4 (v) Contrary to the United States constitution
5 or the constitution of Wyoming or the provisions of this
6 chapter.

7

8 (c) The district court may remand an appeal to the
9 board to conduct further hearings.

10

11 (d) Any person who appeals the award of a major
12 procurement contract for the supply of a lottery ticket
13 system, share system or an on-line or other mechanical or
14 electronic system shall be liable for all costs of appeal
15 and defense in the event the appeal is denied or the
16 contract award upheld.

17

18 **21-24-127. Corporation authorized to borrow money;**
19 **validation of debt; restriction on use of money in state**
20 **general fund; purchase or release of goods and services.**

21

22 (a) The corporation may borrow, or accept and expend,
23 in accordance with the provisions of this chapter, such
24 monies as may be received from any source, including income

1 from the corporation's operations, for effectuating its
2 corporate purposes, including the payment of the initial
3 expenses of initiation, administration and operation of the
4 corporation and the lottery.

5

6 (b) The corporation shall be self sustaining and self
7 funded. Monies in the state general fund shall not be used
8 or obligated to pay the expenses of the corporation or
9 prizes of the lottery and no claim for the payment of an
10 expense of the lottery or prizes of the lottery may be made
11 against any monies other than monies credited to the
12 corporation operating account.

13

14 (c) The corporation may purchase, lease or lease
15 purchase such goods or services as are necessary for
16 effectuating the purposes of this chapter. The corporation
17 may make procurements which integrate functions such as
18 lottery game design, lottery ticket distribution to
19 retailers, supply of goods and services and advertising.
20 In all procurement decisions, the corporation shall take
21 into account the particularly sensitive nature of the state
22 lottery and shall act to promote and ensure security,
23 honesty, fairness and integrity in the operation and
24 administration of the lottery and the objectives of raising

1 net proceeds for the benefit of educational programs and
2 purposes.

3

4 **21-24-128. Reports by corporation; audits; budget;**
5 **fiscal year.**

6

7 (a) To ensure the financial integrity of the lottery,
8 the corporation through its board of directors shall:

9

10 (i) Submit quarterly and annual reports to the
11 governor, state auditor and the joint revenue interim
12 committee disclosing the total lottery revenues, prize
13 disbursements, operating expenses and administrative
14 expenses of the corporation during the reporting period.
15 The annual report shall additionally describe the
16 organizational structure of the corporation and summarize
17 the functions performed by each organizational division
18 within the corporation;

19

20 (ii) Adopt a system of internal audits;

21

22 (iii) Maintain weekly or more frequent records
23 of lottery transactions, including the distribution of
24 tickets or shares to retailers, revenues received, claims

1 for prizes, prizes paid, prizes forfeited and other
2 financial transactions of the corporation;

3

4 (iv) Contract with a certified public accountant
5 or firm for an annual financial audit of the corporation.
6 The certified public accountant or firm shall have no
7 financial interest in any vendor with whom the corporation
8 is under contract. The certified public accountant or firm
9 shall present an audit report not later than four (4)
10 months after the end of the fiscal year. The certified
11 public accountant or firm shall evaluate the internal
12 auditing controls in effect during the audit period. The
13 cost of this annual financial audit shall be an operating
14 expense of the corporation. The state auditor may at any
15 time conduct an audit of any phase of the operations of the
16 Wyoming lottery corporation at the expense of the state and
17 shall receive a copy of the annual independent financial
18 audit. A copy of any audit performed by the certified
19 public accountant or firm or the state auditor shall be
20 transmitted to the governor, the state auditor and the
21 joint revenue interim committee;

22

23 (v) Submit to the governor, the state auditor,
24 and the joint revenue interim committee by June 30 of each

1 year a copy of the annual operating budget for the
2 corporation for the next fiscal year. This annual
3 operating budget shall be approved by the board and be on
4 such forms as prescribed by the department of
5 administration and information;

6
7 (vi) For informational purposes only, submit to
8 the governor on September 1 of each year a proposed
9 operating budget for the corporation for the succeeding
10 fiscal year. This budget proposal shall also be
11 accompanied by an estimate of the net proceeds to be
12 deposited into the lottery for education account during the
13 succeeding fiscal year; and

14
15 (vii) Adopt the same fiscal year as that used by
16 state government.

17
18 **Section 2.** W.S. 6-7-101(a)(iii) by creating a new
19 subparagraph (J), 7-19-201(a) by creating a new paragraph
20 (xx), 11-25-102(a)(v), 11-25-105(a), 39-15-105(a)(viii) by
21 creating a new subparagraph (T) and 39-16-105(a)(viii) by
22 creating a new subparagraph (J) are amended to read:

23

24 **6-7-101. Definitions.**

1

2 (a) As used in this article:

3

4 (iii) "Gambling" means risking any property for
5 gain contingent in whole or in part upon lot, chance, the
6 operation of a gambling device or the happening or outcome
7 of an event, including a sporting event, over which the
8 person taking a risk has no control, but does not include:

9

10 (J) Any lottery game authorized and run by
11 the Wyoming lottery corporation pursuant to W.S. 21-24-101
12 through 21-24-128.

13

14 **7-19-201. State or national criminal history record**
15 **information.**

16

17 (a) The following persons shall be required to submit
18 to fingerprinting in order to obtain state and national
19 criminal history record information:

20

21 (xx) Board members, applicants, vendors and
22 retailers required to receive a background investigation as
23 provided in W.S. 21-24-104(c), 21-24-110(e) and
24 21-24-120(b) and (c)(i).

1

2 **11-25-102. Definitions.**

3

4 (a) As used in this act:

5

6 (v) "Pari-mutuel event" means the events which
7 are authorized by the commission for the conduct of horse
8 racing (to include quarter horse, thoroughbred or other
9 approved races), harness racing, cutter racing, chariot
10 racing, chuckwagon racing, professional ~~roping~~rodeo events
11 and simulcasting of dog racing and the events described in
12 this paragraph as prescribed by the commission;

13

14 **11-25-105. Pari-mutuel permits; fees and reports;**
15 **disposition of funds; enforcement of provisions.**

16

17 (a) The commission may issue pari-mutuel permits ~~for~~
18 ~~a specified period not to exceed one (1) year~~ to any
19 Wyoming county, city, incorporated town, county fair board
20 or any corporation or association which has been approved
21 by the board of county commissioners and provides a bond
22 acceptable to the commission. No permit shall be granted to
23 any city, town, county, county fair board or any
24 corporation or association except upon the express

1 condition that it shall not, by any lease, contract,
2 understanding or arrangement of whatever kind or nature,
3 grant, assign or turn over to any person, corporation or
4 association the operation or management of the pari-mutuel
5 event permitted under this act or of the pari-mutuel system
6 of wagering or in any manner permit any person, corporation
7 or association to retain any of the money received for
8 admission to the race meeting or from the operations of the
9 pari-mutuel system. The commission shall revoke the permit
10 of any permittee for any violation of the foregoing
11 condition and such acts are a violation of this act. The
12 permit is effective only for the times and at the places
13 for which issued. In addition to all other fees and
14 charges, there shall be charged before issuance of a permit
15 a daily fee established by the commission to defray
16 expenses of enforcing this act.

17

18 **39-15-105. Exemptions.**

19

20 (a) The following sales or leases are exempt from the
21 excise tax imposed by this article:

22

1 (viii) For the purpose of exempting sales of
2 services and tangible personal property as an economic
3 incentive, the following are exempt:

4
5 (T) Sales of and retail commissions on
6 lottery tickets or shares and equipment necessary to
7 operate a lottery under W.S. 21-24-101 through 21-24-128.

8
9 **39-16-105. Exemptions.**

10
11 (a) The following purchases or leases are exempt from
12 the excise tax imposed by this article:

13
14 (viii) For the purpose of exempting sales of
15 services and tangible personal property as an economic
16 incentive, the following are exempt:

17
18 (J) Purchase of and retail commissions on
19 lottery tickets or shares and equipment necessary to
20 operate a lottery under W.S. 21-24-101 through 21-24-128.

21
22 **Section 3.** This act is effective July 1, 2011.

23
24 (END)