ENGROSSED

ENROLLED ACT NO. 95, HOUSE OF REPRESENTATIVES

SIXTY-FIFTH LEGISLATURE OF THE STATE OF WYOMING 2020 BUDGET SESSION

AN ACT relating to gaming; generally amending statutes pari-mutuel events, concerning gaming and gambling; reconstituting the pari-mutuel commission as the Wyoming gaming commission and increasing membership; establishing duties for the commission; regulating skill based amusement games as specified; authorizing skill based amusement game fees, collections and distributions as specified; creating account; providing for a continuous appropriation; authorizing commission employees to be peace officers and authorizing enforcement by the attorney general specified; providing penalties; providing applicability; requiring rulemaking; making conforming amendments; requiring reports; and providing for an effective date.

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

Section 1.

- (a) Notwithstanding W.S. 6-7-102, skill based amusement games operating in the state prior to the effective date of this section shall be allowed to continue operation until June 30, 2021 in accordance with the requirements of this section.
- (b) Any skill based amusement game that does not meet the requirements of this section shall be removed from the state by the operator.
- (c) Within sixty (60) days of the effective date of this section a skill based amusement game that meets the requirements of this section shall be approved by the commission to continue operating in the state or it shall be removed from the state by the operator.

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- (d) Each operator shall provide for a nationally recognized, independent gaming laboratory approved by the commission to directly submit to the commission a general functional evaluation laboratory report regarding the software installed on each skill based amusement game indicating whether the skill based amusement game is in compliance with this section. Any skill based amusement game that does not meet the requirements of this section as indicated by the laboratory report shall immediately be removed from the state by the operator.
- Skill based amusement that games meet requirements of this section shall bear a commission issued decal that identifies the operator of the game. No skill based amusement game shall be operational unless it bears a commission issued decal. The commission shall charge a fee of fifty dollars (\$50.00) for a decal. Each decal shall include the bucking horse and rider emblem. Fees collected shall be deposited to the commission gaming account, which is hereby created. For the period from the effective date of this section through June 30, 2021, funds within the account are continuously appropriated to the commission to pay for reasonable expenses incurred to administer this section.
- (f) No skill based amusement game shall allow a game play of more than three dollars (\$3.00) per play.
- (g) No skill based amusement game shall allow a payout of more than three thousand dollars (\$3,000.00) per play.
- (h) No establishment shall have more than four (4) skill based amusement games at any one (1) time. Only an establishment that had a skill based amusement game

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operating within the establishment as of the effective date of this section may continue to have a skill based amusement game operating pursuant to this section.

- (j) An establishment shall not locate a skill based amusement game in an area of the establishment into which a person under the age of twenty-one (21) years may enter. An establishment shall conspicuously mark each area of the establishment with a skill based amusement game as an "age restricted area." The establishment shall not allow a person under the age of twenty-one (21) years to play a skill based amusement game.
- (k) An establishment shall pay the commission a fee of two hundred fifty dollars (\$250.00) to continue to have skill based amusement games in the establishment until June 30, 2021. Operators of skill based amusement games shall pay the commission a fee of two thousand five hundred dollars (\$2,500.00) to operate skill based amusement games until June 30, 2021. Fees paid pursuant to this subsection shall be deposited into the commission gaming account.
- Taxes shall be calculated and paid on a weekly basis based on the net proceeds earned during the prior week on skill based amusement games. On a weekly basis, an operator shall remit to the commission an amount equivalent to twenty percent (20%) of the net proceeds earned during the prior week on the operator's skill based amusement games. The commission shall deposit these monies to the commission gaming account. The commission shall report on amounts received under this subsection to the appropriations committee quarterly. Once the commission gaming account reaches one million dollars (\$1,000,000.00), a weekly basis, an operator shall remit to the commission an amount equivalent to twenty percent (20%) of

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the net proceeds earned during the prior week on the operator's skill based amusement games and of the twenty percent (20%), the commission shall remit these monies to the state treasurer for distribution as follows:

- (i) Forty-five percent (45%) to the county and the city or town in which the skill based amusement game is located, in equal shares, or to the county alone if the skill based amusement game is not located within the boundaries of a city or town;
- (ii) Forty-five percent (45%) to the school foundation program account;
- (iii) Ten percent (10%) to the commission gaming account.
- (n) The commission may promulgate any necessary rules to implement and administer this section.
- (o) This section shall not apply to pari-mutuel wagering on events that have previously occurred.
 - (p) As used in this section:
- (i) "Commission" means the commission created under W.S. 11-25-101;
- (ii) "Establishment" means a single physical
 place of business;
- (iii) "Net proceeds" means all revenue less
 payments to the player;

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- (iv) "Operator" means a person that possesses and operates skill based amusement games for profit;
- (v) "Skill based amusement game" means a game played in exchange for consideration of cash, credit or other thing of value on a fixed, commercial electrical gaming device in which the bona fide skill of the player, determined by an individual's level of strategy and skill, rather than any inherent element of chance, is the primary factor in determining the outcome and for which the player may be awarded a prize or other thing of value for a successful outcome.
- (q) Any person who violates any provision of this section is guilty of a misdemeanor and shall be fined not more than ten thousand dollars (\$10,000.00), imprisoned for not more than six (6) months, or both. Each violation of this section shall constitute a separate offense.
 - (r) This section is repealed effective July 1, 2021.
- Section 2. W.S. 6-1-104(a)(vi)(P) and by creating a new subparagraph (R), 6-7-101(a)(iii)(A), (D)(I), (F)(intro), by creating a new subparagraph (M) and by creating a new paragraph (xiii), 7-2-101(a)(iv)(N) and by creating a new subparagraph (P), 7-19-201(a)(vi), 9-1-627(d), 9-2-2008(e)(xiii), 11-25-101, 11-25-102(a)(ii) and by creating a new paragraph (xv), 11-25-103, 11-25-104(a), (e) and by creating new subsections (n) and (o) and 11-25-112 are amended to read:

6-1-104. Definitions.

(a) As used in this act, unless otherwise defined:

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- (vi) "Peace officer" includes the following
 officers assigned to duty in the state of Wyoming:
- (P) Any superintendent, assistant superintendent or full-time park ranger of any state park, state recreation area, state archeological site or state historic site who has qualified pursuant to W.S. 9-1-701 through 9-1-707, when acting within the boundaries of the state park, state recreation area, state archeological site or state historic site or when responding to a request to assist other peace officers acting within the scope of their official duties in their own jurisdiction; and
- (R) Any person qualified pursuant to W.S. 9-1-701 through 9-1-707 and employed by the Wyoming gaming commission when engaged in the performance of that person's duties or when responding to a request to assist other peace officers acting within the scope of their official duties in their own jurisdiction.

6-7-101. Definitions.

- (a) As used in this article:
- (iii) "Gambling" means risking any property for gain contingent in whole or in part upon lot, chance, the operation of a gambling device or the happening or outcome of an event, including a sporting event, over which the person taking a risk has no control, but does not include any of the following:
- (A) Bona fide contests of skill, speed, strength or endurance in which awards are made only to

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entrants or the owners of entries. This exception shall not include skill based amusement games;

- (D) Bingo games conducted, or pull tabs sold, by charitable or nonprofit organizations where the tickets for the bingo are sold only in this state and the pull tabs are sold only on the premises owned or occupied by the charitable or nonprofit organization provided that:
- (I) Bingo games and pull tab games shall only be conducted by charitable or nonprofit organizations, which have been in existence in this state for at least three (3) years and, commencing July 1, 2020, are licensed by the Wyoming gaming commission under W.S. 11-25-104(n) to conduct bingo or pull tab games;
- (F) Calcutta wagering on contests or events conducted by a bona fide nationally chartered veterans', religious, charitable, educational or fraternal organization or nonprofit local civic or service club organized or incorporated under the laws of this state and, commencing July 1, 2020, licensed by the Wyoming gaming commission under W.S. 11-25-104(n) to conduct calcutta wagering on contests or events, provided that:
- (M) Activities authorized by the Wyoming gaming commission pursuant to law.
- (xiii) "Skill based amusement game" means a game played in exchange for consideration of cash, credit or other thing of value on a fixed, commercial electrical gaming device in which the bona fide skill of the player, determined by an individual's level of strategy and skill, is a factor in determining the outcome and for which the

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player may be awarded a prize or other thing of value for a successful outcome.

7-2-101. Definitions.

- (a) As used in W.S. 7-2-101 through 7-2-107:
 - (iv) "Peace officer" means:
- (N) The director and full-time staff instructors of the Wyoming law enforcement academy when duly appointed and acting pursuant to W.S. 9-1-633(b); and
- (P) Any person qualified pursuant to W.S. 9-1-701 through 9-1-707 and employed by the Wyoming gaming commission when engaged in the performance of that person's duties or when responding to a request to assist other peace officers acting within the scope of their official duties in their own jurisdiction.

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

- (a) The following persons shall be required to submit to fingerprinting in order to obtain state and national criminal history record information:
- (vi) Persons applying for a permit or license
 under W.S. 11-25-104(f) or if otherwise required under
 title 11, chapter 25 of the Wyoming statutes;
- 9-1-627. Authority to compile, disseminate and exchange information; immunity; access to information limited; security precautions.

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(d) Access to criminal history record information is available to the Wyoming pari mutuel gaming commission as provided for by W.S. 11-25-104(k) law. The commission shall reasonable security precautions to unauthorized persons from gaining access to criminal history record information in accordance with rules and regulations established by the Wyoming division of criminal investigation. For the purpose of this subsection "criminal history record information" means information, records and data compiled by criminal justice agencies on individuals identifying criminal offenders the purpose of consisting of identifiable descriptions of the offenders notations or a summary of arrests, detentions, indictments, information, pre-trial proceedings, nature and of criminal charges, sentencing, rehabilitation, incarceration, correctional supervision and release. Criminal history record information is limited to information recorded as the result of the initiation of criminal proceedings. It does not include intelligence data, analytical prosecutorial files, investigative reports and files of statistical records and reports in which individual identities are not ascertainable.

9-2-2008. Department of administration and information created; director appointed; structure.

(e) The following functions or programs shall be transferred from the department of commerce to the department of administration and information under a Type 3 transfer:

(xiii) Pari-mutuel Gaming commission;

11-25-101. Wyoming gaming commission created; composition; qualifications.

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The Wyoming pari mutuel gaming commission is created to be composed of seven (7) nine (9) persons who have resided in the state for four (4) years and are qualified electors of Wyoming.

11-25-102. Definitions.

- (a) As used in this act:
- (ii) "Commission" means the Wyoming pari-mutuel gaming commission;
- (xv) "Net proceeds" means all revenue less the payment to the player.
- 11-25-103. Gaming commission; appointment, terms of office and political affiliation of members; vacancies; appointment districts.

The governor with the consent of the senate shall appoint the seven (7) nine (9) members of the commission in accordance with W.S. 28-12-101 through 28-12-103. One (1) member Seven (7) of the nine (9) members shall be appointed from each appointment district under W.S. 9-1-218. One (1) of the remaining members shall be, at the time of appointment and during the term of appointment, an active county or municipal law enforcement officer certified under title 9, chapter 1, article 7 of the Wyoming statutes. One (1) of the remaining members shall be an enrolled member of the Northern Arapaho or Eastern Shoshone Indian tribe with not less than five (5) years of regulatory gaming experience. Members shall be appointed for terms of four (4) years and until their successor is appointed and qualified. Any vacancy shall be filled by appointment by

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the governor as provided in W.S. 28-12-101. A member of the commission may succeed himself for one (1) full four (4) year term. The governor may remove any member as provided in W.S. 9-1-202. Additionally, one (1) senator appointed by the president of the senate, one (1) representative appointed by the speaker of the house and one (1) gubernatorial representative shall serve as liaisons to the commission. Legislative liaisons shall be paid salary, per diem and mileage as provided in W.S. 28-5-101 when attending meetings of the commission.

11-25-104. Gaming commission; officers; director; meetings; quorum; records; licenses generally; effect of financial interest in events.

- (a) The commission shall annually elect from its membership a president and vice-president, and may employ a director who has a working knowledge of pari-mutuel betting, and horse racing and other forms of gaming regulated by the commission or an executive secretary, or both. The director may be retained on a yearly basis or for the racing season only as determined by the commission. Salary for the director or executive secretary shall be determined by the commission with the consent of the personnel division. The commission may also employ other personnel required to carry out this act.
- (e) The commission shall may authorize by permits license or permit and supervise all the conduct of all events provided for and regulated by this act., and shall The commission may make reasonable rules and regulations for the control, supervision and direction of applicants, permittees, including regulations providing and licensees. The rules shall include procedures for resolving scheduling conflicts and settling disputes between permittees, and for

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supervising, disciplining, suspending, fining and barring from pari-mutuel events of all persons required to be licensed or permitted by this act, and for the holding, conducting and operating of all pari-mutuel conducted pursuant to this act. The commission may require that license applicants be fingerprinted for identification purposes as a condition of licensing. The commission shall announce the place, time and duration of pari-mutuel events for which license or permit fees shall be required and establish reasonable fees for all licenses and permits provided for by this act. The fees shall be established to ensure that the costs of administering this act are recovered through the total revenues received under this The commission shall establish security safeguards for licensees to use for advance deposit pari-mutuel wagering. The commission shall prohibit advance deposit pari-mutuel advertising that it determines to be deceptive to the public.

- (n) Commencing July 1, 2020, any person conducting an activity as specified by W.S. 6-7-101(a)(iii)(D) or (F) shall first obtain a license from the commission. Under this subsection, the commission shall not charge license applicants any fee and shall not require any fee for any license issued. Any person required to be licensed under this subsection shall file an annual report with the commission as specified by rule.
- (o) In addition to all other duties, the commission, in the reasonable exercise of its discretion, shall enforce W.S. 6-7-101 through 6-7-104.

11-25-112. Penalties.

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- (a) Any person, corporation or association holding or conducting any pari-mutuel event in connection with the pari-mutuel system of wagering without a permit issued in accordance with this act, or any person, corporation or association who violates any other provision of this act is guilty of a misdemeanor and shall be fined not more than ten thousand dollars (\$10,000.00), imprisoned for not more than six (6) months, or both.
- (b) The attorney general may, at the request of the commission, act on behalf of the commission to prosecute criminal actions under this chapter or title 6, chapter 7, article 1 of the Wyoming statutes if after a thorough investigation the action is deemed advisable by the attorney general.

Section 3.

- (a) The Wyoming pari-mutuel commission is continued as the Wyoming gaming commission, as provided in this act. All positions, personnel, appropriations, property and equipment of the Wyoming pari-mutuel commission shall be under control of the Wyoming gaming commission, as created by this act. The validity of rules, regulations, orders, contracts, agreements or other obligations of the Wyoming pari-mutuel commission shall not be affected by this act.
- (b) Notwithstanding any other provision of this act, members of the Wyoming pari-mutuel commission shall continue their current terms as members of the Wyoming gaming commission.
- (c) The appointment of the newly created eighth and ninth members to the Wyoming gaming commission may be made

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under this act on or after the effective date of this section.

Section 4. The Wyoming gaming commission shall promulgate rules necessary to implement and administer this act as expeditiously as necessary.

5. The Wyoming gaming commission conduct a study of gaming in the state. The study shall evaluate all types of games, including those currently operating in the state. The commission shall examine how many games are operating in the state, the locations of all of the games, the amount of wagers made on the games and revenues earned from the games. Additionally, commission shall provide options to the legislature for regulation of all types of games, including skill based amusement games, video game terminals, sports wagering and other commercially viable forms of gaming. Additionally, the commission shall evaluate impacts to other states that recently expanded forms of legal gaming. commission shall report in writing the results of its study to the legislature by September 1, 2020.

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Section 6. This act is effective immediately upon completion of all acts necessary for a bill to become law as provided by Article 4, Section 8 of the Wyoming Constitution.

Speaker of the House President of the Senate

Governor

TIME APPROVED: _____

DATE APPROVED: _____

I hereby certify that this act originated in the House.

Chief Clerk