HOUSE BILL NO. HB0206

Video skill games.

Sponsored by: Representative(s) Walters, Blake, Hunt, Lindholm, Olsen and Sweeney and Senator(s) Biteman and Landen

A BILL

for

1 AN ACT relating to gaming; providing for regulation of video 2 skill games by the liquor division of the department of 3 revenue; requiring permitting of video skill game vendors; providing for fees; providing for criminal history record 4 checks; providing penalties; providing rulemaking authority; 5 authorizing play on video skill games; and providing for 6 7 effective dates. 8 9 Be It Enacted by the Legislature of the State of Wyoming: 10 11 Section 1. W.S. 12-2-601 through 12-2-605 are created 12 to read: 13 14 ARTICLE 6 15 VIDEO SKILL GAMES

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1 2 12-2-601. Definitions. 3 4 (a) As used in this article: 5 б (i) "Application of skill" means the use of 7 knowledge, dexterity or ability in any form; 8 9 (ii) "Net proceeds" means all revenue less payment 10 of vouchers; 11 12 (iii) "Qualified truck stop facility" means a 13 facility that: 14 15 (A) Is equipped with pumps for fueling commercial motor vehicles; 16 17 (B) Has sold not less than fifty thousand 18 19 (50,000) gallons of diesel fuel or bio-diesel fuel on average 20 for each of the previous twelve (12) months, as determined by the division; 21 22

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1 (C) Contains not less than twenty (20) 2 parking spaces dedicated for the use of commercial motor 3 vehicles; 4 5 (D) Contains a store that sells food and beverages; and 6 7 8 (E) Is situated on one (1) developed site three (3) acres or more in size, which is owned or leased by 9 10 the operator of the facility. 11 (iv) "Vendor" means a person engaged in the 12 business of owning, supplying, delivering and maintaining 13 14 video skill games; 15 16 (v) "Video skill game" means a game or machine 17 that: 18 19 (A) Allows a person to play a game by inserting or using currency or a coin, card, coupon, slug, 20 token or similar device; 21 22

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1 (B) Includes a feature that allows a player to view the potential outcome of the game prior to initiation 2 3 of play; 4 5 (C) Provides an opportunity to earn a prize on a winning play through the application of skill; 6 7 8 (D) Provides a finite series of game 9 outcomes; and 10 11 (E) Issues vouchers. 12 13 (vi) "Voucher" means a ticket issued by a video skill game that allows a player to redeem cash winnings. 14 15 16 12-2-602. Permits; fees; requirements. 17 (a) The division shall regulate video skill games and 18 19 vendors. A vendor shall possess a permit issued by the 20 division to own, supply, deliver or maintain video skill games 21 in Wyoming. 22

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1 (b) A person applying for an initial vendor permit 2 shall do so on a uniform application furnished by the 3 division. The applicant shall provide the division 4 fingerprints and other information and permission necessary for a criminal history record background check as provided in 5 W.S. 7-19-201(a). The cost of the criminal history record 6 background check shall be paid using a portion of the 7 8 applicant's permit fee charged pursuant to subsection (c) of this section. 9

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(c) The division shall charge a fee of five thousand dollars (\$5,000.00) for an initial vendor permit. A permit shall be valid for one (1) year. The division shall charge a fee of two thousand five hundred dollars (\$2,500.00) for a vendor permit renewal.

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17 (d) Vendor permit fees charged pursuant to subsection (c) of this section shall be deposited in the liquor division 18 19 gaming account, which is hereby created. Subject to 20 legislative appropriation, amounts within the account may be 21 used by the division for all expenses incurred in 22 administering this article.

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1 (e) The division shall regulate video skill games in 2 accordance with the following: 3 (i) Each vendor shall submit to the division a 4 general functional evaluation laboratory report from an 5 independent gaming laboratory regarding the 6 software installed on each video skill game to ensure the video skill 7 8 game is in compliance with this article; 9 10 (ii) No video skill game shall allow a bet of more 11 than two dollars (\$2.00) per play; 12 13 (iii) No video skill game shall allow a payout of more than one thousand five hundred dollars (\$1,500.00) per 14 15 play; 16 17 (iv) Each video skill game shall be programmed to have a payout ratio of not less than eighty-eight percent 18 19 (88%) and not more than ninety-five percent (95%) over one 20 (1) complete series of game outcomes; 21 22 (v) A single place of business shall have not more than five (5) video skill games at any one (1) time; 23

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2 (vi) A qualified truck stop or other place of 3 business with a video skill game shall not locate a video 4 skill game in an area of the qualified truck stop facility or other place of business where a person under the age of 5 eighteen (18) years may enter. No person under the age of 6 eighteen (18) years shall play a video skill game; 7 8 (vii) Each video skill game shall bear a division 9 10 issued decal. Decals shall not be transferred between video skill games. A decal shall be valid for twelve (12) months. 11 12 The division shall charge an annual fee of fifty dollars 13 (\$50.00) for a decal. Fees charged pursuant to this paragraph shall be deposited in the liquor division gaming account; 14 15 16 (viii) A video skill game shall only be operable for play when located in a qualified truck stop facility or 17 other place of business that possesses a valid license issued 18 12-4-201, 19 under W.S. 12-4-301, 12-4-401, 12-4-407 or 20 12-4-413. 21 The division may conduct inspections of video skill 22 (f)

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games located in qualified truck stop facilities or in other

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places of business pursuant to the authority granted to the 1 2 division in W.S. 12-2-304. 3 4 (g) The division shall promulgate: 5 б (i) Appropriate recordkeeping and reporting rules 7 for vendors; and 8 9 (ii) Other appropriate rules to allow for 10 administration and enforcement of this article. 11 12 12-2-603. Distributions to counties, cities and towns. 13 (a) On a monthly basis, a vendor shall remit four 14 15 percent (4%) of net proceeds from video skill games to the 16 division. The division shall distribute these monies to each 17 county and its cities and towns by computing the proportion of net proceeds collected that are attributable to vendors in 18 19 the county including its cities and towns to total net 20 proceeds collected by vendors in all counties including their 21 cities and towns. This proportion of the balance shall be distributed within each county as follows: 22

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1 (i) To a county in the proportion that the 2 population of the county situated outside the corporate 3 limits of its cities and towns bears to the total population 4 of the county including cities and towns; 5 (ii) To each city and town within the county in 6 the proportion the population of the city or town bears to 7 8 the total population of the county including its cities and 9 towns. 10 11 12-2-604. Penalties. 12 (a) A vendor who knowingly allows the operation of one 13 (1) or more of the vendor's video skill games and who does 14 15 not possess a valid vendor permit issued by the division under 16 this article shall be subject to the following, in addition 17 to any penalty imposed under W.S. 6-7-102: 18 19 (i) For a first offense, a civil penalty of five 20 thousand dollars (\$5,000.00) per video skill game in operation and forfeiture of each of the vendor's video skill 21 22 games in operation; 23

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1 (ii) For a second or subsequent offense, a civil 2 penalty of ten thousand dollars (\$10,000.00) per video skill 3 game in operation and forfeiture of each of the vendor's video 4 skill games in operation. 5 The division shall not issue a vendor permit to a 6 (b) person who has been subject to a civil penalty under 7 8 subsection (a) of this section more than one (1) time. 9 10 (c) A vendor who possesses a valid vendor permit issued by the division under this article who knowingly allows the 11 12 operation of one (1) or more of the vendor's video skill games 13 to be operated in a manner inconsistent with the requirements of W.S. 12-2-602(e)(i) through (viii) shall be subject to a 14 15 civil penalty of five thousand dollars (\$5,000.00) per video 16 skill game operated in a manner inconsistent with W.S. 17 12-2-602(e)(i) through (viii), in addition to any penalty imposed under W.S. 6-7-102. 18 19 20 12-2-605. Preemption by state.

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22 No city, town or county by local ordinance or resolution may 23 establish prohibitions on any person operating a video skill

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1 game within the local jurisdiction if the game is operated in 2 accordance with the provisions of this article. 3 4 Section 2. W.S. 6-7-101(a)(iii) by creating a new 5 subparagraph (M), 7-19-201(a) by creating a new paragraph (xxvi) and 12-2-304(a) are amended to read: 6 7 8 6-7-101. Definitions. 9 10 (a) As used in this article: 11 12 (iii) "Gambling" means risking any property for gain contingent in whole or in part upon lot, chance, the 13 operation of a gambling device or the happening or outcome of 14 15 an event, including a sporting event, over which the person 16 taking a risk has no control, but does not include any of the 17 following: 18 19 (M) Playing any video skill game, as defined 20 in W.S. 12-2-601(a)(v), which bears a decal issued by the liquor division of the department of revenue. 21 22

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1 7-19-201. State or national criminal history record 2 information. 3 4 (a) The following persons shall be required to submit to fingerprinting in order to obtain state and national 5 criminal history record information: 6 7 8 (xxvi) Applicants for a vendor permit under W.S. <u>12-2-602</u>. 9 10 11 12-2-304. Inspections and examinations; failure to 12 permit entry. 13 14 (a) The division, through its employees or agents, may enter and inspect at any time every place of business wherein 15 16 malt or alcoholic beverages are being sold, stored or kept by 17 any licensee or permittee. The inspection may include examination of a video skill game as defined in W.S. 18 19 12-2-601(a)(v). 20 21 Section 3. The liquor division of the department of 22 revenue shall promulgate rules required by this act not later 23 than July 1, 2019.

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2	Section 4.
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4	(a) Except as provided in subsection (b) of this
5	section, this act is effective July 1, 2019.
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7	(b) Section 3 of this act is effective immediately upon
8	completion of all acts necessary for a bill to become law as
9	provided by Article 4, Section 8 of the Wyoming Constitution.
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11	(END)