

[TO SUBSTITUTE BILL No. 1]

1 Page 1-line 6 Before "as specified" insert "and video gaming
2 terminals"; delete "skill based amusement".
3
4 Page 1-line 8 After "account;" insert "providing for a
5 continuous appropriation;".
6
7 Page 1-line 10 After "as specified;" insert "providing
8 penalties;".
9
10 Page 2-line 5 Delete "June 30, 2021" and insert "September
11 30, 2020".
12
13 Page 4-line 19 Delete "June 30,".
14
15 Page 4-line 20 Delete "2021" and insert "September 30, 2020".
16
17 Page 4-line 22 Delete "June".
18
19 Page 5-line 1 Delete "30, 2021" and insert "September 30,
20 2020".
21
22 Page 5-line 5 Delete "gross income" and insert "net
23 proceeds".
24
25 Page 5-line 8 Delete "gross income" and insert "net
26 proceeds".
27
28 Page 5-after line 13 Insert:
29
30 "(n) Commencing October 1, 2020 a sixty-one (61) day
31 transition period shall occur. Those establishments that apply for
32 an establishment permit under W.S. 11-25-202, as created by this
33 act, may continue to have skill based amusement games in the
34 establishment so long as the skill based amusement games continue
35 to meet the requirements of this section. Those operators that
36 apply for a vendor permit under W.S. 11-25-202 may continue to
37 operate skill based amusement games so long as the skill based
38 amusement games continue to meet the requirements of this section.
39 Commencing December 1, 2020, an establishment shall only have skill
40 based amusement games within an establishment if the establishment
41 and skill based amusement games are properly permitted under W.S.
42 11-25-202. Commencing December 1, 2020, operators shall only

1 operate skill based amusement games if properly permitted under
2 W.S. 11-25-202. During this transition period, if the commission
3 rejects an establishment's application under W.S. 11-25-202 or the
4 establishment fails to receive a permit under W.S. 11-25-202, the
5 establishment shall not be authorized to have any skill based
6 amusement game within the establishment. During this transition
7 period, if the commission rejects an operator's application under
8 W.S. 11-25-202 or the operator fails to receive a permit under
9 W.S. 11-25-202, the operator shall not be authorized to possess or
10 operate a skill based amusement game in Wyoming. Any skill based
11 amusement game not authorized under W.S. 11-25-202 on or after
12 December 1, 2020 shall be immediately removed from the state.".

13
14 Page 5-line 15 Delete "(n)" and insert "(o)".

15
16 Page 5-line 16 After "implement" insert ", enforce".

17
18 Page 5-line 18 Delete "(o)" and insert "(p)".

19
20 Page 5-line 21 Delete "(p)" and insert "(q)".

21
22 Page 6-line 7 Delete "Gross income" and insert "Net
23 proceeds".

24
25 Page 6-line 8 Delete entirely and insert "the payment to the
26 player;".

27
28 Page 6-lines 10 through 13 Delete entirely.

29
30 Page 6-line 15 Delete "(v)" and insert "(iv)".

31
32 Page 6-line 18 Delete "(vi)" and insert "(v)".

33
34 Page 7-after line 3 Insert:

35
36 **"Section 2.** W.S. 11-25-201 through 11-25-205 are created to
37 read:

38
39 ARTICLE 2
40 AUTHORIZED GAMING TERMINALS

41
42 **11-25-201. Definitions.**

43
44 (a) As used in this article:

45
46 (i) "Authorized gaming terminal" means a player
47 activated video gaming terminal that in exchange for consideration

1 of cash, credit or other thing of value allows the player to play
2 a game for which the player has an opportunity to win cash, credit
3 or other thing of value;

4
5 (ii) "Commission" means the commission created under
6 W.S. 11-25-101;

7
8 (iii) "Establishment" means a single physical place of
9 business;

10
11 (iv) "Net proceeds" means all revenue less the payment
12 to the player;

13
14 (v) "Terminal data collection and control system" means
15 a computerized system that:

16
17 (A) Each authorized gaming terminal is connected to
18 using standard industry protocols;

19
20 (B) Can activate or deactivate an authorized gaming
21 terminal from a remote location; and

22
23 (C) Is capable of monitoring and auditing
24 authorized gaming terminal plays.

25
26 (vi) "Vendor" means a person that possesses and
27 operates authorized gaming terminals for profit.

28
29 **11-25-202. Permits; fees; requirements; rulemaking.**

30
31 (a) The commission shall regulate authorized gaming
32 terminals, establishments with authorized gaming terminals and
33 vendors of authorized gaming terminals. An establishment shall
34 possess a permit issued by the commission to allow the operation
35 of authorized gaming terminals. A vendor shall possess a permit
36 issued by the commission to possess or operate an authorized gaming
37 terminal in Wyoming.

38
39 (b) Commencing December 1, 2020, only commission approved
40 vendors may operate authorized gaming terminals in the state, only
41 commission approved establishments may have authorized gaming
42 terminals in an establishment and only commission approved
43 authorized gaming terminals may be operated in the state. This
44 article shall not apply to pari-mutuel wagering on events that
45 have previously occurred or to gaming activities conducted on the
46 Wind River Indian Reservation.

1 (c) A person applying for an initial establishment or vendor
2 permit shall do so on a uniform application furnished by the
3 commission. The applicant shall pay a commission established fee
4 and provide the commission information and permission necessary
5 for a criminal history record background check. The commission
6 shall perform criminal background investigations on all permit
7 applicants as it determines necessary. The commission shall begin
8 accepting establishment and vendor applications on October 1,
9 2020.

10
11 (d) The commission may issue permits to qualified
12 applicants. The commission shall develop a list of objective
13 criteria upon which the qualification of establishments and
14 vendors shall be based.

15
16 (e) The commission shall charge a fee of five hundred dollars
17 (\$500.00) for an initial establishment permit. The commission
18 shall charge a fee of five thousand dollars (\$5,000.00) for an
19 initial vendor permit. Permit renewal fees shall be one-half (1/2)
20 of the amount of initial permit fees.

21
22 (f) Permit fees charged pursuant to subsection (e) of this
23 section shall be remitted to the state treasurer for deposit in
24 the commission gaming account. Amounts within the account may be
25 used by the commission for operating expenses incurred in
26 administering this article.

27
28 (g) The commission shall regulate authorized gaming
29 terminals in accordance with the following:

30
31 (i) No authorized gaming terminal shall allow a game
32 play of more than three dollars (\$3.00) per play;

33
34 (ii) No authorized gaming terminal shall allow a payout
35 of more than three thousand dollars (\$3,000.00) per play;

36
37 (iii) Each authorized gaming terminal shall be
38 connected to a terminal data collection and control system approved
39 by the commission. The terminal data collection and control system
40 shall:

41
42 (A) Calculate net proceeds earned by each vendor on
43 an authorized gaming terminal;

44
45 (B) Submit not less than weekly to the commission
46 a report on all activities of the authorized gaming terminal;

1 (C) Deauthorize play any time the authorized gaming
2 terminal is not in compliance with all applicable statutes and
3 rules of the commission.
4

5 (iv) An establishment shall have not more than four (4)
6 authorized gaming terminals at any one (1) time;
7

8 (v) An establishment shall not locate an authorized
9 gaming terminal in an area of the establishment into which a person
10 under the age of twenty-one (21) years may enter. An establishment
11 shall conspicuously mark each area of the establishment with an
12 authorized gaming terminal as an "age restricted area";
13

14 (vi) An establishment shall not allow a person under the
15 age of twenty-one (21) years to play an authorized gaming terminal;
16

17 (vii) Each commission approved authorized gaming
18 terminal shall bear a commission issued decal. The decal shall
19 identify the vendor of the authorized gaming terminal. Decals shall
20 not be transferred between authorized gaming terminals. A decal
21 shall be valid for twelve (12) months. The commission shall charge
22 an annual fee of fifty dollars (\$50.00) for a decal. Fees charged
23 pursuant to this paragraph shall be remitted to the state treasurer
24 for deposit in the commission gaming account;
25

26 (viii) The commission shall establish a reasonable
27 average payout ratio to minimize problem gambling.
28

29 (h) The commission shall promulgate any necessary rules to
30 administer and enforce this article.
31

32 **11-25-203. Distributions to state, counties, cities and**
33 **towns; vendors and establishments.**
34

35 (a) Taxes shall be calculated and paid on a weekly basis
36 based on the net proceeds earned during the prior week on
37 authorized gaming terminals as provided by the terminal data
38 collection and control system.
39

40 (b) On a weekly basis, a vendor shall remit to the commission
41 an amount equivalent to twenty-four percent (24%) of the net
42 proceeds earned during the prior week on the vendor's authorized
43 gaming terminals. The commission shall remit these monies to the
44 state treasurer for distribution to the county and the city or
45 town in which the authorized gaming terminal is located, in equal
46 shares, or to the county alone if the authorized gaming terminal
47 is not located within the boundaries of a city or town.

1
2 (c) On a weekly basis, a vendor shall remit to the commission
3 an amount equivalent to twenty-four percent (24%) of the net
4 proceeds earned during the prior week on the vendor's authorized
5 gaming terminals. The commission shall remit these monies to the
6 state treasurer for distribution to the school foundation program
7 account.

8
9 (d) On a weekly basis, a vendor shall remit to the commission
10 an amount equivalent to two percent (2%) of the net proceeds earned
11 during the prior week on the vendor's authorized gaming terminals.
12 The commission shall deposit these monies in the commission gaming
13 account to be used for operating expenses of the commission.

14
15 (e) Twenty-one percent (21%) of the net proceeds earned
16 during the prior week on an authorized gaming terminal shall be
17 distributed to the establishment. Twenty-nine percent (29%) of net
18 proceeds earned during the prior week on an authorized gaming
19 terminal shall be retained by the vendor.

20
21 **11-25-204. Penalties.**

22
23 Any person who violates any provision of this article is guilty of
24 a misdemeanor and shall be fined not more than ten thousand dollars
25 (\$10,000.00), imprisoned for not more than six (6) months, or both.

26
27 **11-25-205. Authority of cities, towns and counties.**

28
29 A city, town or county by local ordinance or resolution may
30 prohibit any person operating authorized gaming terminals within
31 the local jurisdiction."

32
33 Page 7-line 5 Delete "**Section 2.**" and insert "**Section 3.**".

34
35 Page 7-line 6 After "6-7-101(a)(iii)" insert "(A),".

36
37 Page 7-line 7 After "(M)" insert "and by creating a new
38 paragraph (xiii)".

39
40 Page 8-line 11 After "duties" insert "or when responding to
41 a request to assist other peace officers
42 acting within the scope of their official
43 duties in their own jurisdiction".

44
45 Page 8-after line 22 Insert:
46

1 "(A) Bona fide contests of skill, speed, strength
2 or endurance in which awards are made only to entrants or the
3 owners of entries. This exception shall not include skill based
4 amusement games;".

5
6 Page 10-after line 2 Insert:

7
8 "(xiii) "Skill based amusement game" means a game played
9 in exchange for consideration of cash, credit or other thing of
10 value on a fixed, commercial electrical gaming device in which the
11 bona fide skill of the player, determined by an individual's level
12 of strategy and skill, is a factor in determining the outcome and
13 for which the player may be awarded a prize or other thing of value
14 for a successful outcome.".

15
16 Page 10-line 17 After "duties" insert "or when responding to
17 a request to assist other peace officers
18 acting within the scope of their official
19 duties in their own jurisdiction".

20
21 Page 19-line 9 Delete "**Section 3.**" and insert "**Section 4.**".

22
23 Page 20-line 6 Delete "**Section 4.**" and insert "**Section 5.**".

24
25 Page 20-line 11 Delete "**Section 5.**" and insert "**Section 6.**".

26
27 Page 21-line 4 Delete "**Section 6.**" and insert "**Section 7.**".

28 HARSHMAN