

## HOUSE BILL NO. HB0126

Sports wagering entity-conditional operating permit.

Sponsored by: Representative(s) Walters and Senator(s)  
Landen

A BILL

for

1 AN ACT relating to gaming commission regulated activities;  
2 creating a conditional permit for sports wagering entities  
3 as specified; authorizing conditional operator permit  
4 holders to continue operating in the state as specified;  
5 imposing fees; providing a definition; requiring  
6 rulemaking; making conforming amendments; and providing for  
7 effective dates.

8

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

10

11 **Section 1.** W.S. 9-24-107 is created to read:

12

13 **9-24-107. Conditional operating permit; fees;**  
14 **application; continued operation.**

15

1           (a) The commission shall issue a conditional  
2 operating permit to an alternative gaming entity applicant  
3 that meets the following requirements:

4

5           (i) Approval by the commission of the  
6 applicant's conditional operating permit application,  
7 accompanied by the required permit fee imposed by W.S.  
8 9-24-103(b);

9

10           (ii) Submission of initial information  
11 concerning the applicant's financial security and  
12 stability, which information shall include the applicant's  
13 anticipated quarterly handle, reserves, bonding amounts and  
14 any other information as provided by rule of the  
15 commission;

16

17           (iii) No adverse finding by the commission on  
18 any disqualifying condition specified by W.S. 9-24-103(j);

19

20           (iv) No finding by the commission that issuing a  
21 permit to the applicant will endanger sports wagering  
22 patrons or the viability and integrity of the sports  
23 wagering industry in Wyoming;

1

2 (v) Payment of the conditional operating permit  
3 fee imposed by W.S. 9-24-103(c); and

4

5 (vi) Certification by the applicant that the  
6 applicant will adhere to the continuing obligations imposed  
7 by subsection (b) of this section if issued a permit by the  
8 commission under this subsection.

9

10 (b) Upon issuance of a conditional operating permit  
11 by the commission to an alternative gaming entity, and for  
12 the duration of the two (2) year permit period specified by  
13 W.S. 9-24-103(c), the entity shall:

14

15 (i) Submit to the commission on a bi-weekly  
16 basis a risk verification report approved under rules of  
17 the commission concerning the balance of the alternative  
18 gaming entity's on-hand cash reserves and bonding amounts  
19 in comparison to its handle for the previous two (2) week  
20 period;

21

22 (ii) Submit to the commission on a quarterly  
23 basis a report approved under rules of the commission

1 detailing the alternative gaming entity's current handle,  
2 on-hand cash reserves and bonding amounts; and

3

4 (iii) Any other information as required by rule  
5 of the commission.

6

7 (c) The commission shall promulgate rules specifying  
8 a process through which an alternative gaming entity may be  
9 regulated under this chapter as a qualified gaming entity,  
10 except that the entity shall not be required to offer  
11 online sports wagering in three (3) or more jurisdictions  
12 in the United States pursuant to a state regulatory  
13 structure. The rules shall provide for a uniform  
14 application to be submitted by the alternative gaming  
15 entity seeking to be regulated under this chapter as a  
16 qualified gaming entity, which application shall be  
17 submitted not more than one hundred eighty (180) days  
18 before the expiration of the entity's conditional operating  
19 permit and shall be accompanied by a two thousand five  
20 hundred dollars (\$2,500.00) application fee. Not more than  
21 ninety (90) days before the expiration of the entity's  
22 conditional operating permit, the commission shall issue  
23 the alternative gaming entity an initial sports wagering

1 operator permit upon a finding by the commission that the  
2 entity has complied with the requirements of this section  
3 during the permit period up until the time of submitting  
4 the application and upon payment of a sports wagering  
5 operator permit fee in the amount of sixty thousand dollars  
6 (\$60,000.00).

7

8 (d) Any alternative gaming entity issued a sports  
9 wagering operator permit in accordance with subsection (c)  
10 of this section shall comply with the requirements imposed  
11 upon sports wagering operator permit holders under this  
12 chapter except that the entity shall not be required to  
13 offer online sports wagering in not less than three (3)  
14 jurisdictions in the United States pursuant to a state  
15 regulatory structure. Any alternative gaming entity issued  
16 a sports wagering operator permit under this section may  
17 renew the permit in accordance with W.S. 9-24-103.

18

19 **Section 2.** W.S. 9-24-101(a)(x), (xiv) and by creating  
20 a new paragraph (xvi) and 9-24-103(a), (b)(intro), (c),  
21 (f), (j)(intro), (k) and (o) are amended to read:

22

23 **9-24-101. Definitions.**

1

2 (a) As used in this chapter:

3

4 (x) "Qualified gaming entity" means a ~~gaming~~  
5 ~~entity-person~~ that offers online sports wagering through  
6 computers, digital platforms or mobile applications in not  
7 less than three (3) jurisdictions in the United States  
8 pursuant to a state regulatory structure;

9

10 (xiv) "Sports wagering operator" means any  
11 qualified ~~or alternative~~ gaming entity authorized by the  
12 commission to accept online sports wagers;

13

14 ~~(xvi) "Alternative gaming entity" means a person~~  
15 ~~that offers online sports wagering through computers,~~  
16 ~~digital platforms or mobile applications and who meets all~~  
17 ~~the qualifications established by this chapter to accept~~  
18 ~~online sports wagers;~~

19

20 **9-24-103. Permits; fees; application.**

21

22 (a) A ~~sports wagering operator~~ qualified gaming  
23 entity and an alternative gaming entity shall possess a

1 permit issued by the commission to accept online sports  
2 wagers. No person shall accept online sports wagers without  
3 holding a valid permit issued by the commission.

4  
5 (b) A qualified gaming entity applying for a sports  
6 wagering operator permit or an alternative gaming entity  
7 applying for a conditional operating permit under W.S.  
8 9-24-107 shall do so on ~~a uniform application permit~~  
9 applications furnished by the commission. The ~~fee for both~~  
10 ~~an initial application and renewal~~ application fee for an  
11 initial sports wagering operator permit and a conditional  
12 operating permit shall be two thousand five hundred dollars  
13 (\$2,500.00). The application renewal fee for a sports  
14 wagering operator permit shall be two thousand five hundred  
15 dollars (\$2,500.00). Permit applications under this  
16 subsection shall require an applicant, at a minimum, to  
17 provide:

18  
19 (c) The commission shall charge a permit fee of one  
20 hundred thousand dollars (\$100,000.00) for an initial  
21 sports wagering operator permit and a conditional operating  
22 permit under W.S. 9-24-107. The commission shall charge a  
23 fee of fifty thousand dollars (\$50,000.00) for a sports

1 wagering operator permit renewal. An initial sports  
2 wagering operator permit and any renewal permit shall each  
3 be valid for five (5) years. ~~The commission shall charge a~~  
4 ~~fee of fifty thousand dollars (\$50,000.00) for a sports~~  
5 ~~wagering operator~~ A conditional operating permit renewal  
6 under W.S. 9-24-107 shall be valid for two (2) years and  
7 shall not be renewed.

8  
9 (f) Sports wagering operator and sports wagering  
10 vendor permit fees charged pursuant to subsections (c) and  
11 (e) of this section and W.S. 9-24-107(c) shall be deposited  
12 in the sports wagering account, which is hereby created.  
13 Subject to legislative appropriation, amounts within the  
14 account may be used by the commission for all expenses  
15 incurred in administering this chapter. On a quarterly  
16 basis, the commission shall transfer amounts within the  
17 account in excess of five hundred thousand dollars  
18 (\$500,000.00) to the state treasurer for credit to the  
19 general fund.

20  
21 (j) The commission shall deny an application under  
22 this ~~article~~ chapter upon finding any of the following:

23



1           (k) Given a sufficient number of qualified gaming  
2 entity applicants, at any one (1) time the commission shall  
3 issue not less than five (5) sports wagering operator  
4 permits to applicants that satisfy the requirements under  
5 this chapter. If an insufficient number of qualified gaming  
6 entity applicants apply for a sports wagering operator  
7 permit, this provision shall not be interpreted to direct  
8 the commission to issue a permit to an unqualified  
9 applicant.

10

11           (o) If the commission denies an application or  
12 intends to revoke or suspend a permit issued under this  
13 ~~article~~chapter, it shall notify the applicant or permittee  
14 in writing, stating the grounds for denial, revocation or  
15 suspension and informing the person of a right to submit,  
16 within not more than thirty (30) days, any additional  
17 documentation relating to the grounds for denial,  
18 revocation or suspension. Upon receiving any additional  
19 documentation, the commission shall reconsider its decision  
20 and inform the applicant of its decision within not more  
21 than twenty (20) days of the submission of information for  
22 reconsideration. A denial of an application or a revocation  
23 or suspension of a permit under this ~~article~~chapter shall

1 be subject to the contested case procedures of the Wyoming  
2 Administrative Procedure Act.

3

4 **Section 3.** The Wyoming gaming commission shall  
5 promulgate rules necessary to implement this act on or  
6 before November 1, 2022.

7

8 **Section 4.**

9

10 (a) Except as provided in subsection (b) of this  
11 section, this act is effective November 1, 2022.

12

13 (b) Sections 3 and 4 of this act are effective  
14 immediately upon completion of all acts necessary for a  
15 bill to become law as provided by Article 4, Section 8 of  
16 the Wyoming Constitution.

17

18

19 (END)