

HISTORY OF THE WYOMING GAMING COMMISSION

- Began in 1967 as the Wyoming Pari-Mutuel Board. Charged originally to regulate and oversee live horse racing events in the State and later the Wyoming Bred Program.
- In 2003 the Commission approved “instant racing machines”. These remained in operation until 2005 when the Cheyenne Police issued a cease and desist letter.
- The case worked its way up to the Wyoming Supreme Court who concluded in a 2006 opinion that the Pari-Mutuel Commission exceeded its authority when it authorized the terminals.
- In 2013 the legislature enacted law to allow for electronic wagering of previously run horse races through Historic Horse Racing (HHR) terminals and simulcasted live racing. § 11-25-102(a) (v) & (vii), and gave the Commission rulemaking authority to regulate them.
- In 2020 the legislature changed the Wyoming Pari-Mutuel Commission’s title to the Wyoming Gaming Commission and charged the agency with regulating and licensing skilled based amusement games as well as charitable gambling (pull-tabs, calcutta's, and bingo) in addition to the live horse racing, Wyoming Bred Program, and HHR/OTB facilities and enforcing all gambling laws.
- In 2021 the legislature passed HEA No. 0050 allowing for online sports wagering and charging the commission with oversight.

COMMISSIONERS

9 Member Volunteer Board

- **Paul “Cactus” Covello, President - District 1**
- **Roger Torgersen – District 2**
- **Dennis Boal – District 3**
- **Daniel Schiffer – District 4**
- **Troy Broussard - District 5**
- **Reuben Ritthaler, Vice President – District 6**
- **Dick Currah – District 7**
- **Jenni Wildcat – Tribal Appointee**
- **Mark Francisco – Law Enforcement Appointee**

Senate Liaison - Senator John Kolb

House Liaison - Representative Bob Davis

Governor’s Liaison - Thomas "Tom" E. Lubnau II

Commission Programs

- **Live Racing**
- **Pari-Mutuel Wagering**
- **Online Sports Wagering**
- **Skill Based Amusement Games**
- **Charitable Gaming**

Commission Operations

- **Administration**
- **Accounting and Audits**
- **Compliance**
- **Law Enforcement**
- **Licensing**
- **Wyoming Bred Program**

Regulatory Authority

PARI-MUTUEL

- 11-25-102 (a)(v) in part
 - Notwithstanding W.S. 6-7-101(a)(iv) and 11-25-203, the commission may authorize and promulgate rules providing for pari-mutuel wagering on events that have previously occurred, utilizing an electronic system or device that affords an opportunity for the exercise of skill or judgment where the outcome is not completely controlled by chance alone
- 11-25-102 (a)(vii)(D)
 - The commission shall promulgate rules for conducting simulcasting as are reasonably necessary to protect the public interest.
- 11-25-104 (e)
 - The commission may authorize by license or permit and supervise all the conduct of all events provided for and regulated by this act. The commission may make reasonable rules for the control, supervision and direction of applicants, permittees and licensees. The rules shall include procedures for resolving scheduling conflicts and settling disputes between permittees, for the 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 events pursuant to this act. The rules shall include requirements for internal controls for all aspects of pari-mutuel wagering, including procedures for system integrity, system security, operations and accounting.

Regulatory Authority

- 11-25-104 (m) in part
 - The commission shall establish the number of actual live horse racing or pari-mutuel event days required to qualify for a simulcasting permit. The commission shall adopt rules governing establishment of live horse racing or pari-mutuel event days required for a simulcasting permit in a manner that ensures fair and equitable involvement of all affected parties, including consideration of the economic viability of those days to permit applicants.

SKILL BASED AMUSEMENTS

- 11-25-301 (c)
 - The commission shall promulgate any necessary rules to administer and enforce this article. The rules may include provisions for the control, supervision, direction, discipline, suspension or fining of any person for violation of this article or rules adopted in accordance with this article.

ONLINE SPORTS WAGERING

- 9-24-102
 - (a) The commission shall regulate online sports wagering and sports wagering operators and vendors.
 - (b) The commission shall promulgate rules to implement this chapter. The rules the commission promulgates shall establish standards and procedures for online sports wagering and associated sports wagering systems. The rules shall include:

Regulatory Authority

- 11-25-104 (o)
 - In addition to all other duties, the commission, in the reasonable exercise of its discretion, shall
 - (i) Enforce W.S. 6-7-101 through 6-7-104;
 - (ii) Regulate online sports wagering and sports wagering operators and vendors under W.S. 9-24-101 through 9-24-106.

Commission Rules

Pari-Mutuel Rules

- **Chapter 1: Definitions**
- **Chapter 2: Commission Rules**
- **Chapter 3: Appeals, Protests & Hearings**
- **Chapter 4: Information Practices**
- **Chapter 5: Officials**
- **Chapter 6: Permittee**
- **Chapter 7: Licensing, Licensees**
- **Chapter 8: Conduct of Races**
- **Chapter 9: Pari-Mutuel Betting**
- **Chapter 10: Simulcasting**
- **Chapter 11: Cutter & Chariot Racing**
- **Chapter 12: Professional Roping Events**

Commission Rules

Skill Based Amusement Rules

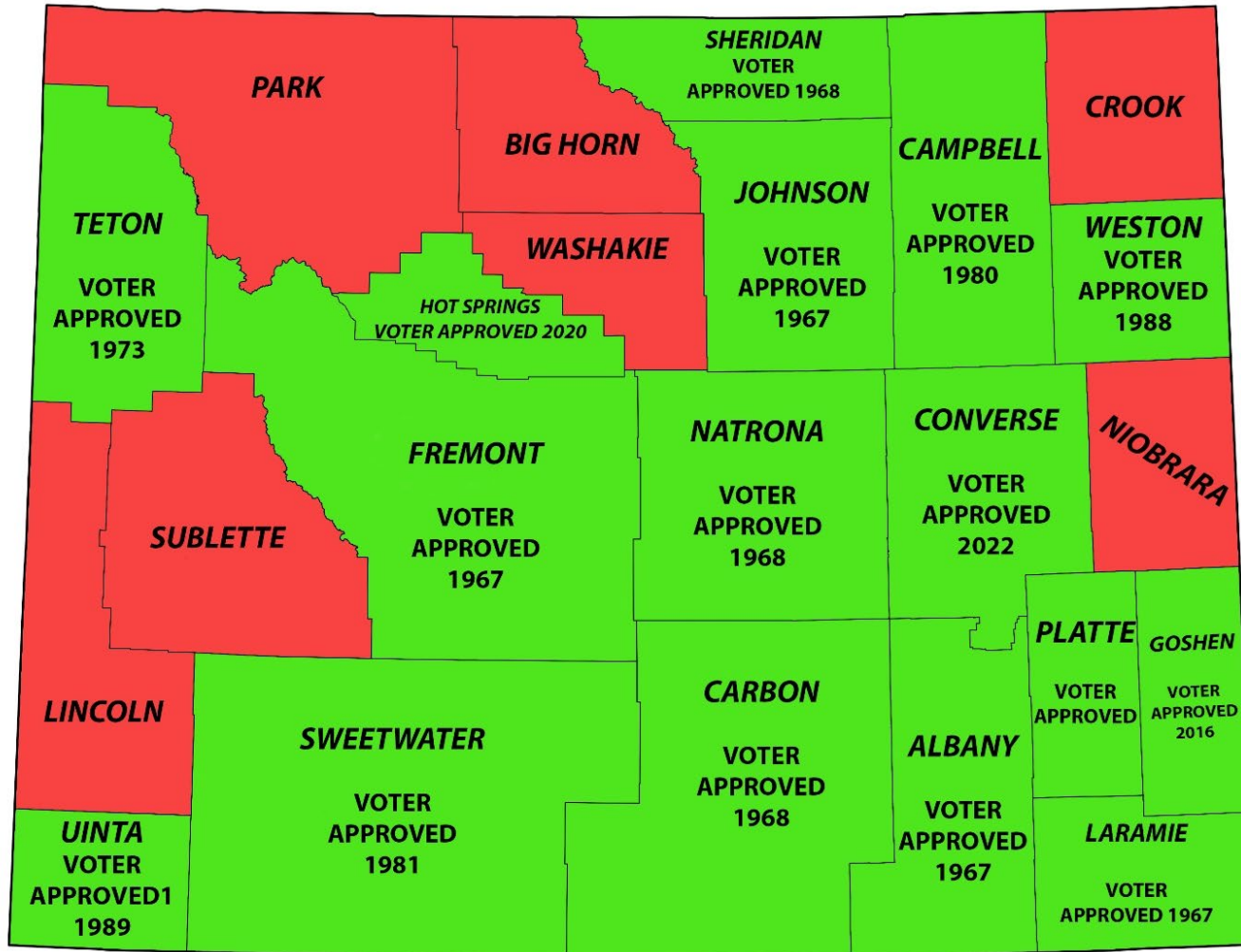
- **Chapter 1: General Provisions**
- **Chapter 2: Licenses and Permits**
- **Chapter 3: Taxes and Payments**
- **Chapter 4: Game Approvals, Qualifiers, Limitations**
- **Chapter 5: Skill Based Amusement Games Standards**
- **Chapter 6: Audit and Internal Controls**
- **Chapter 7: Responsible Play and Advertising**
- **Chapter 8: Disciplinary Actions and Hearings**

Commission Rules

Online Sports Wagering Rules

- **Chapter 1: General Provisions**
- **Chapter 2: Permits/Permitees**
- **Chapter 3: Taxes and Payments**
- **Chapter 4: Patron Wagers**
- **Chapter 5: Technical Standards**
- **Chapter 6: Sports Wagering Accounts**
- **Chapter 7: Audit and Internal Controls**
- **Chapter 8: Responsible Gaming and Advertising**
- **Chapter 9: Disciplinary Actions and Hearings**

Where is Pari-Mutuel Wagering Legal



Counties approved for Pari-Mutuel Wagering

Live Horse Racing Permitting Process

- Submit Live Event Application:
 - Type of Event
 - Management Structure
 - Requested Dates
 - Purse Schedule and Wagering Offerings
 - Financial Statements
 - Post with the Commission a surety bond, certificate of deposit or letter of credit, not less than \$5,000.00 made in favor of the State of Wyoming Gaming Commission
- Submit Individual License Applications and Multi Jurisdictional Personal History Disclosure Form for Key Personnel.
- Agency Begins Background and Feasibility investigations on applicant and all individuals associated with applicant.
- Upon Completion of Backgrounds a complete report and findings is submitted and presented to the Commission for their consideration.

Simulcasting Permitting Process

- **MUST HAVE A LIVE EVENT PERMIT TO APPLY FOR SIMULCASTING.**
 - These are location specific applications
 - Management Structure
 - Requested Dates
 - Financial Statements
 - Number of simulcast performances to be displayed
 - Estimated level of wagering activity
 - Source and amount of revenues expected from other than pari-mutuel wagering.
 - Security measures to be employed to protect the facilities and security measures in place to safeguard the transmission of the simulcast signals and wagering information.
 - County Resolutions granting approval
 - Post with the Commission a surety bond, certificate of deposit or letter of credit, for \$100,000.00 made in favor of the State of Wyoming Gaming Commission
- Agency Begins Feasibility investigations on location, reviewing historical wagering activity, applicants history, reaching out to city and county officials for comment, etc.
- Upon Completion of review a complete report and findings is submitted and presented to the Commission for their consideration.

WHAT ARE HISTORIC HORSE RACING TERMINALS?

- Historic horse racing, also known as “instant racing,” comprises pari-mutuel horse races that have been run in the past which are represented by an entertainment display that mimics the results of the orders of finish. Players at multiple terminals and for some games, even at multiple locations, bet into a common array of pari-mutuel pools that produces payouts based on successful selection of finishers. The winner of each pool will be the bettor who correctly selects one or more positions of the exact order of finish in multiple races on the same play. The pools built from all players losing bets until someone picks correctly. The more accurate the selection in multiple races on the same play, the larger the payout for the bettor.
- Players feel like they’re playing a video gaming machine, but technically, they’re betting on anonymized horse races that have already occurred (hence the term “historic”).
- For each set of races, the selections obscure the names of the horses, trainers, jockeys, dates and locations, but display visual easy-to-read handicapping information so players can select horses they believe will finish in the correct order, just as they would at the live races.

HISTORIC HORSE RACING TERMINALS

- The Commission is responsible for licensing all OTB's, their staff-members, and HHR terminals in the state.
 - There are currently 41 OTB's operating throughout the state with 3,034 active terminals.
- All HHR terminals are inspected and certified by an independent laboratory, to ensure their integrity before being licensed by the Commission.
- Commission staff travels to all locations and continually monitors the machines and verifies “signatures” to ensure compliance.

HISTORIC HORSE RACING LOCATIONS AND TERMINALS COUNTS

WYOMING DOWNS LLC

Location	City	County	Number of Terminals Approved	Number of Terminals on Site as of 04/01/25
Beacon Club	Mills	Natrona	96	66
Outlaw Saloon		Laramie	60	53
Cheyenne Plaza	Cheyenne	Laramie	101	93
Evanston	Evanston	Uinta	113	54
Evansville	Evansville	Natrona	72	66
Gillette	Gillette	Campbell	100	61
Gillette On 59	Gillette	Campbell	97	70
Laramie	Laramie	Albany	71	32
Rock Springs	Rock Springs	Sweetwater	150	99
Sheridan	Sheridan	Sheridan	105	40
Galloways	Casper	Natrona	70	49
Wilkins Circle	Casper	Natrona	190	130
Split Happens	Casper	Natrona	22	22
Town Bar & Grill	Green River	Sweetwater	40	39
Cheyenne Dell Range	Cheyenne	Laramie	150	145
Rock Springs 2 (pending op	Rock Springs	Sweetwater	157	0
Buffalo	Buffalo	Johnson	50	50
Thermopolis	Thermopolis	Hot Springs	16	16
Cheyenne Terry Bison		Laramie	126	86
Douglas	Douglas	Converse	50	50
Track/Seasonal				
Total			1,836	1221

WYOMING HORSE RACING LLC

Location	City	County	Number of Terminals Approved	Number of Terminals on Site as of 04/01/25
Casper	Casper	Natrona	100	87
Cheyenne	Cheyenne	Laramie	100	78

Evanston	Evanston	Uinta	68	59
Gillette	Gillette	Campbell	75	67
Green River	Green River	Sweetwater	84	64
Casper West	Casper	Natrona	100	85
Rock Springs	Rock Springs	Sweetwater	100	69
Sheridan	Sheridan	Sheridan	70	52
Cheyenne 2	Cheyenne	Laramie	71	62
Cheyenne 3	Cheyenne	Laramie	1000	267
Evanston 2 (pending open)	Evanston	Uinta	1036	0
Laramie (pending open)	Laramie	Albany	100	0
Total			2804	890

307 HORSE RACING INC

Location	City	County	Number of Terminals Approved	Number of Terminals on Site as of 04/01/25
Boot Hill	Gillette	Campbell	100	72
Little Goose	Sheridan	Sheridan	86	65
Pump Room	Casper	Natrona	86	71
Rawlins	Rawlins	Carbon	89	53
Cheyenne	Cheyenne	Laramie	200	183
Keg and Cork	Casper	Natrona	81	77
Douglas Ranahans	Douglas	Converse	50	50
Starting Gate	Riverton	Fremont	58	55
Wine and Spirits	Casper	Natrona	57	57
Horses and Harleys	Rock Springs	Sweetwater	107	100
307 Derby Laramie	Laramie	Albany	80	70
307 Derby Torrington		Goshen	70	70
307 Derby Club Green River	Green River	Sweetwater	100	0
307 Derby Club Cheyenne 2	Cheyenne	Laramie	125	0
Total			1289	923

Total Approved			5,929
Total On Site			3,034

Relationship between Live and Historic Horse Racing

- In 2013 the legislature enacted law to allow for electronic wagering of previously run horse races through Historic Horse Racing (HHR) terminals and simulcasted live racing. **§ 11-25-102(a)(v) & (vii)**.
- The goal of this law was to supplement Live Horse Racing operators in funding and assist in growing the Live Horse Racing industry in Wyoming.

Race Days Run		
2010 – 0	2011 – 4	2012 – 4
2013 – 10	2014 – 20	2015 – 31
2016 – 22	2017 – 30	2018 – 34
2019 – 30	2020 – 24	2021 – 50
2022 – 50	2023 – 49	2024 – 54
2025 – 70 (approved)		

Relationship between Live and Historic Horse Racing

- Each Permittee’s Simulcast operations fund their respective live horse racing operations, from purses, employees, equipment etc.
- For Example all Wyoming Downs OTB’s across the state assist in funding their track and live event operations in Evanston Wyoming.
- Each Permittee enters into Agreements with a “Horseman’s Group” to negotiate percentages contributed to purses from HHR operations.
- As a condition of receiving a pari-mutuel permit, the permittee shall agree to and shall contribute to the breeder award fund administered by the commission an amount equal to four-tenths of one percent (0.40%) of the total handle wagered during the pari-mutuel event and an additional sum equal to twenty percent (20%) of the additional amount retained pursuant to subsection (c) of this section on multiple or exotic wagers. The contribution shall be derived from the net proceeds of the race meet revenues, other than the permittee's share of the pari-mutuel wagering handle. Contributions shall be used only for breeder awards.

Breeder Award Distributions

2013 – \$46,728.65	2014 - \$509,878.16	2015 - \$1,202,878.58	2016 - \$1,002,314.12
2017 - \$1,723,458.62	2018 – \$2,324,853.89	2019 – \$3,216,636.21	2020 – \$2,746,527.02
2021 – \$3,727,223.28	2022 – \$5,184,748.93	2023 – \$6,831,221.46	2024 – \$8,530,333.42

2024 Live Race Stats

- There were 520 Individuals races run.
- 112 of these were Wyoming Bred preferred.
 - By rule every Permittee licensed by the Commission shall offer at least one accredited Wyoming-Bred quarter horse race and one accredited Wyoming-Bred thoroughbred race each day during its meeting.
- In 2024 there was a total number of 4331 starters, (equine participants).
- Of these 4331 Starters, 1933 of them were Wyoming Bred, roughly 45%.

HHR IMPACTS OVER THE LAST 10 YEARS

• Breeders Awards	1573.01% Increase
• 2014 Payout	\$ 509,878.16
• 2024 Payout:	\$ 8,530,333.42
<i>10 Year Total</i>	<i>\$ 36,910,092.38</i>
• Live Race Purse Money (Average)	347.70% Increase
• 2014 Average (2 Operators)	\$ 419,075.00
• 2024 Average (3 Operators)	\$ 1,876,183.33
<i>10 Year Total</i>	<i>\$ 23,763,609.50</i>
• Live Race Days	170% Increase
• 2014 (2 Operators)	20 Days
• 2024 (3 Operators)	54 Days
<i>10 Year Total</i>	<i>394 Days</i>
• City and County Distributions	1764.05% Increase
• 2014 Total Distribution	\$ 1,135,892.36
• 2024 Total Distribution	\$ 21,173,616.06
<i>10 Year Total</i>	<i>\$ 91,143,646.16</i>
<i>10 Year Total State Revenues</i>	<i>\$ 83,703,045.08</i>

COMMISSION RESPONSIBILITIES DURING LIVE HORSE RACING

- Our primary responsibility at the live racing events is to ensure the health, safety, and welfare of the participants, both human and equine and to ensure the established rules and regulations are followed to protect the wagering public.
 - Conduct physical barn, vehicle, and trailer searches looking for any indication of mistreatment or drugging of the horses.
 - Conduct Jockey room and Jockey searches for any illegal or dangerous devices. We also screen the Jockeys for alcohol and drug consumption.
 - Monitor the paddock during pre-race activities.
 - Monitor the starting gates.
 - Assist the Commission Veterinarian with post-race testing and animal transfers on claiming races.
 - Assist the Stewards in ensuring all Commission rules are followed pre-race, during the race, and post-race.

Financial Security

- As noted in the Spectrum Gaming Study they observed that Wyoming does not have a state criminal statute addressing money laundering/terrorist financing. Considering the legalized gaming landscape currently existing in Wyoming, Commission law enforcement officers require this in their toolbox to ensure that money-laundering offenses that occur in or related to legalized gaming are prosecutable if federal prosecuting authorities are unable or unwilling to move forward.
- Online Sports Wagering and HHR operations fall under Title 31 of the Bank Secrecy Act. This mandates that financial institutions, including casinos with a gross annual gaming revenue of at least \$1 million, comply with recordkeeping and reporting requirements to combat money laundering and terrorist financing. This includes filing Currency Transaction Reports (CTRs) and Suspicious Activity Reports (SARs), as well as implementing anti-money laundering (AML) programs.
- The Wyoming Gaming Commission is implementing procedures in our annual Site Security Assessments to verify compliance with Title 31.
- Without having Wyoming Statutes on Anti-Money Laundering, if found we would have to rely on Federal partners to prosecute these cases.

Definitions & Distribution Percentages



Historic Horse Racing

Handle

- Total amount wagered. Example if a patron inserts \$1.00 and on the first spin wins \$5.00, then plays their entire balance of \$5.00 with no more wins the total handle is \$6.00. Handle does not equal cash in and HHR taxes are based on total handle.

Takeout

- Takeout is the total amount of money, excluding breakage, withheld from each pari-mutuel pool, as authorized by statute or rule. This has a set cap per statute.

Breakage

- The odd cents on any sum otherwise distributable in a pari-mutuel pool. Also the difference between the amount contributed to the pari-mutuel pool and the total of the commissions (takeouts) and the sums redistributed to the contributors.

Net Pool

- $\text{Handle} - \text{Takeout} = \text{Net Pool} (\text{Payout} - \text{Adjustment} + \text{Breakage})$

Payout

- Paid to winners within the community.

Historic Horse Racing

Breeders Awards

- Monies collected pursuant to W.S. § 11-25-105(j) and distributed by the Commission to promote the improved breeding and development of the horse industry in Wyoming. Breeder awards may include purse enhancement of Wyoming Bred races.

Legislative Stabilization Reserve Account (LSRA)

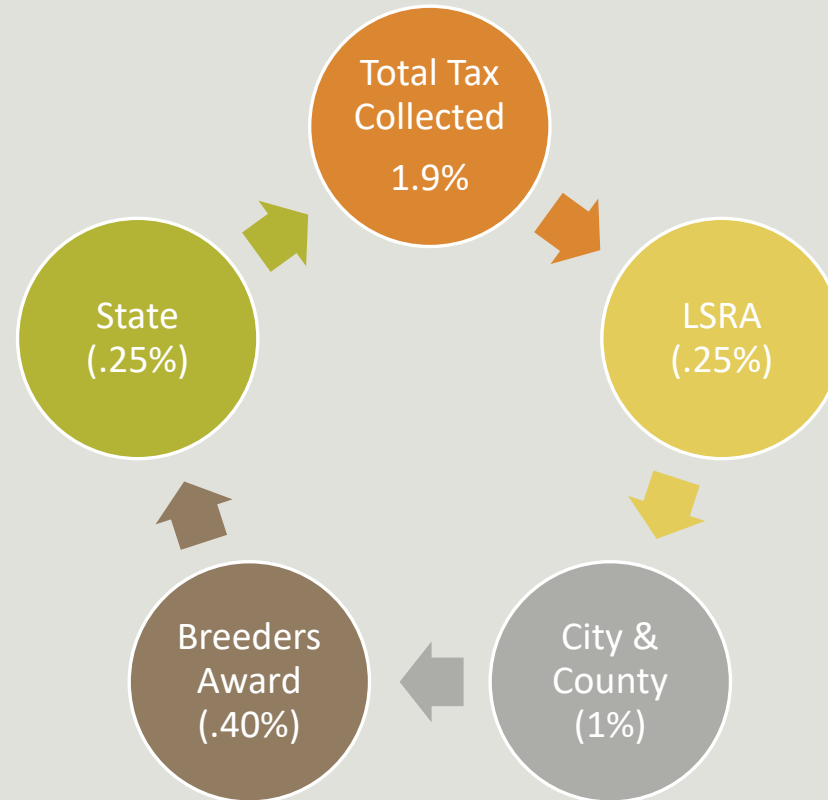
- More commonly known as the “rainy day” fund was created in 2005 and codified in statute in 2015 for the State of Wyoming.

Purse Race

- Is a race for money or any other prize to which the owners of the horses engaged do not contribute.

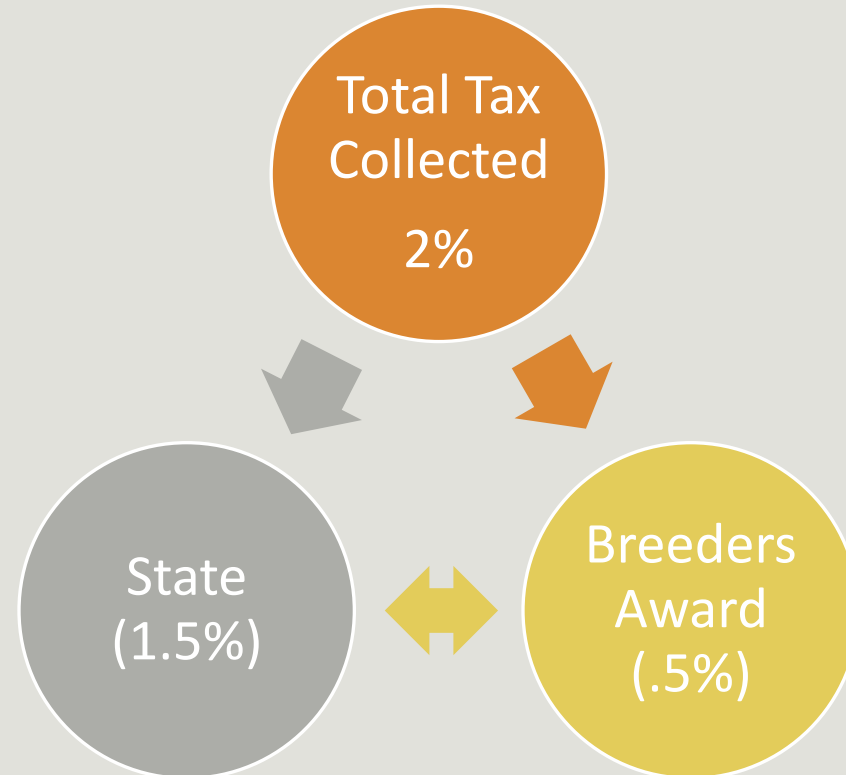
Historic Horse Racing

Historic Horse Racing: means a race which has previously occurred and is electronically transmitted for wagering purposes and approved by the Commission.



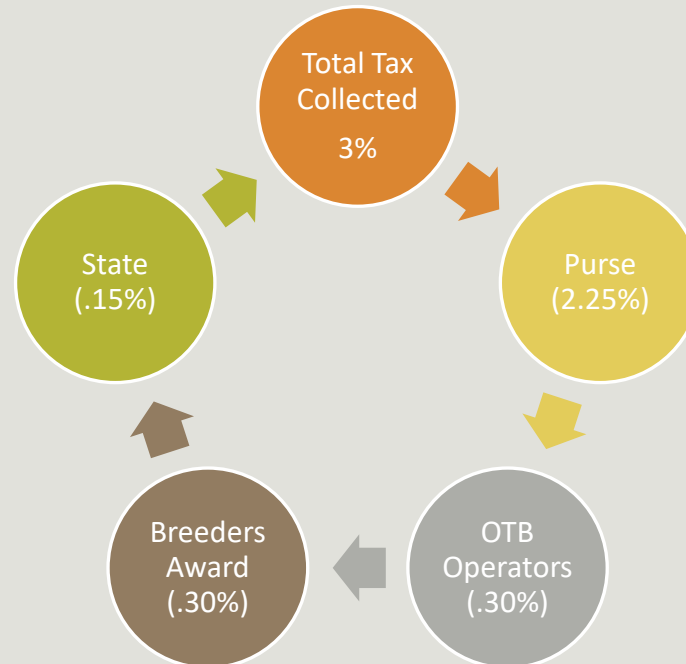
Simulcast

Simulcast: means the sale of pari-mutuel pools electronically transmitted live or historic horse races on interstate or intrastate pari-mutuel events as prescribed by the Commission.



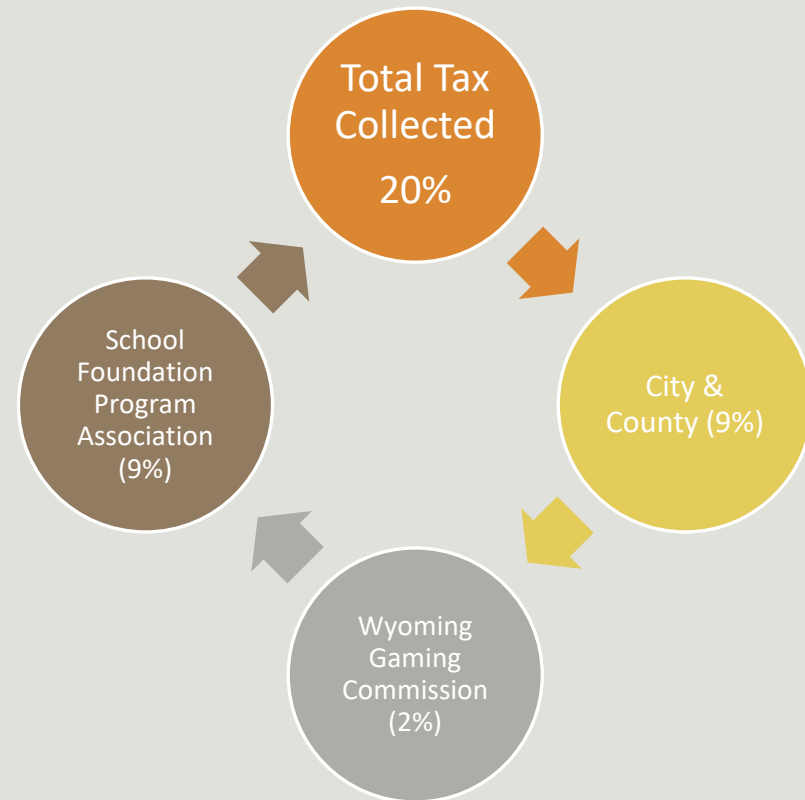
Advanced Deposit Wagering

Advanced Deposit Wagering: a form of pari-mutuel wagering in which an account holder, residing within or outside Wyoming, establishes an account and then authorizes a Commission approved Permittee, Betting System or WY Hub, by telephone or other electronic media, to place wagers on racing on the account holder's behalf. Only the Permittee, Betting System, or Wyoming Hub that holds the account can make an advance deposit wager for the account holder. Wagering instructions that concern funds held in an account shall be deemed issued within the enclosure of the Permittee.



Skill Based Amusement Games

Skill Based Amusement Games: games where the outcome relies on the player's competencies, talents, skills and strategic thinking. Taxed on net proceeds.



Online Sports Wagering

Online Sports Wagering: means engaging in sports wagering conducted by a sports wagering operator through a sports wagering account over the internet by use of a computer, digital platform or mobile application on a mobile device, any of which uses communications technology to accept sports wagers or any system or method of electronic sports wagering approved by commission rules. “Online sports wagering” shall not include or be conducted from any physical location created by a sports wagering operator or vendor for a patron to physically visit to place a wager.

Each fiscal year, the first three hundred thousand dollars (\$300,000.00) of revenue generated under this section is continuously appropriated to the Department of Health programs to prevent and treat problematic gambling behavior and the remainder of monies remitted to the commission shall be deposited by the state treasurer into the general fund.



Total Tax
Collected

10%