WYOMING LEGISLATIVE SERVICE OFFICE

Memorandum

DATE November 9, 2026

TO Management Council

FROM Select Committee on Gaming

SUBJECT Bill Drafts for Consideration

The Wyoming Legislature's Management Council reauthorized the Select Committee on Gaming (Select Committee) at its April 1, 2026 meeting to continue its study of gaming issues and build upon knowledge to draft legislation. During the 2026 interim, the Select Committee continued its study on issues related to gaming tax revenue and state tax revenue distribution, pari-mutuel wagering operations, charitable gaming, online sweepstakes, responsible gaming and problem gambling, and the governance structure of the Wyoming Gaming Commission (Commission).

With meetings held in Cheyenne, Casper, and Rock Springs and four days of deliberation, the Select Committee voted to forward the following bill drafts to Management Council for sponsorship:

- 27LSO-0049 Pari-mutuel wagering breakage. This bill draft would define pari-mutuel wagering breakage, require breakage that may currently be retained by the permittee on historic and live pari-mutuel wagers to be paid to the Commission, and reduce the maximum breakage collected from ten cents to five cents.

- 27LSO-0201 Gaming-background checks. This bill draft would reduce the frequency of fingerprinting and background checks for Commission-related purposes from annually to once at initial application or as required by the Commission.

- 27LSO-0098 Online sweepstakes prohibited. Online sweepstakes games modeled on casino games are currently offered in Wyoming that allow for wagering with currency that can be redeemed for money or prizes. This bill draft would clarify that Wyoming's prize promotion statutes do not authorize online sweepstakes games and would classify the business operation of these games as professional gambling, an existing felony punishable by up to three years' imprisonment, a fine of up to $3,000, or both.

In addition, the Select Committee reviewed research on the total amounts wagered, tax rates, and revenue distribution for pari-mutuel wagering, online sports wagering, and skill-based amusement gaming in other states, in order to compare Wyoming's current tax rates and revenue. The Select Committee considered, but did not vote to recommend, draft legislation to raise the historic horse racing tax rate from 1.9 percent to 2 percent and to set a minimum amount that pari-mutuel permitholders must contribute to Wyoming horse racing purses.

The Select Committee also evaluated legislation on charitable gaming, problem gambling prevention, and gaming governance, including several proposals that may benefit from further refinement or study. Its review of charitable gaming included discussion of options for regulating progressive charitable raffles and a bill draft to ensure that a minimum portion of net proceeds from charitable raffles and drawings is used for charitable purposes. On responsible gaming and problem gambling prevention, the Select Committee received testimony from the Commission, the Wyoming Lottery Corporation, and the Wyoming Department of Health. It considered, but did not vote to recommend, legislation to direct a portion of existing state tax revenue from all state-regulated gaming in Wyoming to problem gambling prevention efforts.

The Select Committee also considered, but did not vote to recommend, proposals to improve the State's gaming governance structure and the Commission's operations. These included a bill draft from a prior year to professionalize the Commission's structure and a new draft to authorize the Commission to temporarily place noncompliant skill-based amusement games out of service pending a hearing.

Thank you for the opportunity to continue examining Wyoming's gaming laws and crafting legislation to strengthen the state's gaming statutes, prize promotion statutes, and related criminal provisions throughout the interim. We appreciate Management Council's continued engagement on these issues and welcome any questions or further discussion.

LEGISLATIVE SERVICE OFFICE • 200 W. 24th Street • Cheyenne, Wyoming 82002
TELEPHONE 307-777-7881 • **E-MAIL** lso@wyoleg.gov • **WEBSITE** www.wyoleg.gov