

HOUSE BILL NO. HB0163

State lottery organization.

Sponsored by: Representative(s) Edwards, Buchanan and
McOmie and Senator(s) Coe

A BILL

for

1 AN ACT relating to a state lottery organization; creating
2 the Wyoming lottery corporation; granting authority to the
3 pari-mutuel commission and the Wyoming lottery corporation
4 to oversee a multi-state lottery with authority to operate
5 instant ticket games and to participate with other states
6 for operating a lottery as specified; providing rulemaking
7 authority to the pari-mutuel commission and corporation;
8 providing for a board of directors of the Wyoming lottery
9 corporation; providing for licensing of lottery game
10 retailers; creating a lottery account in the enterprise
11 fund; authorizing expenditures for the lottery; specifying
12 how lottery profits shall be distributed; providing
13 generally for the operation of the lottery; exempting sales
14 of lottery tickets and shares from sales tax; providing
15 penalties; making appropriations; and providing for an
16 effective date.

1

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

3

4 **Section 1.** W.S. 11-25-201 through 11-25-212 are
5 created to read:

6

7

ARTICLE 2

8

WYOMING STATE LOTTERY ORGANIZATION

9

10 **11-25-201. Definitions.**

11

12 (a) As used in this article:

13

14 (i) "Board" means the board of directors of the
15 Wyoming lottery corporation;

16

17 (ii) "Commission" means the Wyoming pari-mutuel
18 commission;

19

20 (iii) "Corporation" means the Wyoming lottery
21 corporation created by W.S. 11-25-203;

22

23 (iv) "Immediate family" means any person
24 residing as a member of the same household in the principal

1 place of residence of a member of the commission or board,
2 employee or independent contractor of the commission or
3 board, or a licensed lottery game retailer;

4
5 (v) "Lottery" means any lottery created and
6 operated under this article, which shall be limited to
7 instant ticket games and multi-state games operated by
8 agreement between Wyoming and at least one (1) other state
9 lottery organization;

10
11 (vi) "Lottery game retailer" means a person who
12 contracts with or seeks to contract with the board to sell
13 tickets in lottery games to the public under this article;

14
15 (vii) "Supplier" means any person who enters
16 into a contract to supply gaming materials or equipment to
17 the lottery;

18
19 (viii) "Ticket" means any evidence issued under
20 the authority of the corporation establishing proof of
21 participation in any lottery conducted under this article.

22
23 **11-25-202. Powers and duties of the commission;**
24 **limitations.**

1

2 (a) The commission shall:

3

4 (i) Promulgate rules governing supervision and
5 oversight of the Wyoming lottery corporation, including:

6

7 (A) The types of lotteries to be conducted,
8 but no lottery shall be conducted by the corporation based
9 upon the outcome of any athletic event or race of any kind,
10 and no lottery shall be conducted that is not an instant
11 ticket game or a multi-state game operated by agreement
12 between Wyoming and at least one (1) other state lottery
13 organization;

14

15 (B) The price of tickets in the lottery,
16 but no ticket in any instant lottery shall have a price of
17 less than one dollar (\$1.00);

18

19 (C) The number and size of the prizes on
20 the winning tickets and the manner in which prizes are paid
21 to holders of winning tickets;

22

23 (D) The frequency of the drawings or
24 selection of winning tickets.

1

2 (ii) Make an annual report to the joint revenue
3 interim committee regarding the operation of the lottery
4 and recommendations for improvement;

5

6 (iii) Notwithstanding W.S. 11-25-104(b), meet at
7 least quarterly to carry out the duties prescribed by this
8 article. Special meetings for lottery business may be
9 called by the chairman of the commission, any three (3)
10 commission members or the chairman of the Wyoming lottery
11 corporation upon seventy-two (72) hours written notice to
12 each member of the commission.

13

14 (b) The commission may investigate any person who has
15 applied for or has been awarded any license or contract
16 issued or formed by the commission under this article. The
17 commission is authorized to access criminal history record
18 information for all licensees or contractors under W.S.
19 9-1-627(d) for the purposes of this article;

20

21 **11-25-203. Wyoming lottery corporation; creation;**
22 **board of directors.**

23

1 (a) There is created a corporation, known as the
2 Wyoming lottery corporation, subject to the following:

3

4 (i) The corporation shall be registered with the
5 secretary of state and shall be subject to the corporate
6 laws of the state of Wyoming;

7

8 (ii) The corporation shall be a body, politic
9 and corporate, and a quasi-public instrumentality, and not
10 a state agency or department, which shall be deemed to be
11 acting in all respects for the benefit of the people of the
12 state through the operation of a state lottery and in the
13 performance of other essential public functions entrusted
14 to it;

15

16 (iii) The corporation shall have perpetual
17 succession and shall adopt, amend and repeal bylaws and
18 regulations for the conduct of its affairs;

19

20 (iv) The corporation shall strive to maximize
21 net lottery proceeds;

22

23 (v) Venue for the corporation is Laramie County.

24

1 (b) The corporation shall be governed by a board of
2 directors composed of seven (7) members, subject to the
3 following:

4
5 (i) The members shall be appointed by the
6 governor and confirmed by the senate as provided in W.S.
7 9-1-218;

8
9 (ii) The members shall be residents of the state
10 of Wyoming, shall have expertise in their businesses or
11 professions;

12
13 (iii) The board shall select one (1) of its
14 members to act as chairman of the board;

15
16 (iv) No person shall serve as a member of the
17 board who has been convicted of:

18
19 (A) Any felony;

20
21 (B) A misdemeanor involving gambling,
22 theft, computer offenses, forgery, perjury, dishonesty or
23 unlawfully selling or providing a product or substance to a
24 minor;

1

2

(C) Any violation of this chapter; or

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(D) Any offense in a federal court, military court, or court of another state, territory or jurisdiction which under the laws of this state would disqualify such person pursuant to subparagraph (A), (B) or (C) of this paragraph.

(v) Prior to the appointment of a person as a member, the governor shall submit the names of potential members to the division of criminal investigation which shall conduct a criminal history records check on all such persons. In order for the governor to determine a potential board appointee's eligibility, all persons considered for appointment to the Wyoming lottery board shall be required to submit to fingerprinting for the purpose of obtaining state and national criminal history record information. The division of criminal investigation shall contract with the federal bureau of investigation, other law enforcement agency or any other legally authorized entity to assist in such investigation. The division of criminal investigation shall conduct such investigation as soon as practicable after submission of names by the governor. The corporation

1 shall pay, as an operating expense, the cost of the records
2 check. The results of such a records check shall not be
3 considered a record open to the public;

4
5 (vi) In making the appointments of members to
6 the board, the governor shall strive to ensure that the
7 board is composed of members who are diverse in
8 professional or educational background, ethnicity, race,
9 gender, geographic residency, heritage, perspective and
10 experience;

11
12 (vii) Members shall serve terms of five (5)
13 years; provided, however, that of the initial members
14 appointed:

15
16 (A) Two (2) members shall be appointed for
17 an initial term of one (1) year;

18
19 (B) Three (3) members shall be appointed
20 for an initial term of three (3) years; and

21
22 (C) Two (2) members shall be appointed for
23 an initial term of five (5) years.

1 (viii) A member's term may be terminated by the
2 governor under the same procedure and in the same manner as
3 provided by W.S. 9-1-202(a) or by a majority vote of the
4 senate. Members shall continue in office until their
5 successors are appointed and qualified. If a vacancy
6 occurs, the governor shall appoint a successor to serve in
7 accordance with W.S. 28-12-101;

8
9 (ix) A member of the board, or any member of
10 their immediate family, shall not have a direct or indirect
11 interest at the time of their appointment, or within a
12 period of two (2) years prior to their appointment, in any
13 undertaking that puts their personal interest in conflict
14 with that of the corporation, including, but not limited
15 to, any interest, through ownership, stock or otherwise, in
16 a major procurement contract or a participating retailer;
17 provided, however, that a board member or a member of the
18 member's immediate family, may hold an incidental interest
19 not to exceed one percent (1%) of the outstanding stock of
20 a participating retailer;

21
22 (x) The members shall elect from their
23 membership a chair and vice chair. The members shall also
24 elect a secretary and treasurer who may, from time-to-time,

1 serve as the acting chief executive officer of the
2 corporation. The officers shall serve for such terms as
3 shall be prescribed by the bylaws of the corporation or
4 until their respective successors are elected and
5 qualified. No member of the board shall hold more than one
6 (1) office of the corporation, except that the same member
7 may serve as secretary and treasurer;

8

9 (xi) The board of directors may delegate to one
10 (1) or more of its members, to the chief executive officer,
11 or to any agent or employee of the corporation such powers
12 and duties as it may deem proper;

13

14 (xii) A majority of the members shall constitute
15 a quorum for the transaction of any business and for the
16 exercise of any power or function of the corporation.
17 Action may be taken and motions and resolutions adopted by
18 the board at any board meeting by the affirmative vote of a
19 majority of present and voting members;

20

21 (xiii) Upon approval by the chair, members of
22 the board shall be reimbursed for actual and reasonable
23 expenses incurred or a per diem not to exceed the per diem

1 provided to state employees for each day's service spent in
2 the performance of the duties of the corporation or both;

3
4 (xiv) Members shall not receive a salary for
5 their duties;

6
7 (xv) No member shall make a contribution to the
8 campaign of a candidate for the legislature or statewide
9 elective office.

10
11 **11-25-204. Wyoming lottery corporation; powers and**
12 **duties.**

13
14 (a) The corporation through its board shall:

15
16 (i) Direct the operation of the lottery in
17 accordance with this article and rules promulgated by the
18 commission;

19
20 (ii) Arrange an annual audit of all lottery
21 accounts and transactions performed by an independent
22 certified public accountant and submit the audit to the
23 governor, the legislature, the state treasurer and the
24 commission;

1

2 (iii) Maintain accurate records, including the
3 distribution of tickets to licensed lottery game retailers,
4 receipt of funds, prize claims, prize disbursements,
5 expenses and other financial transactions of the lottery as
6 necessary;

7

8 (iv) Report to the governor pursuant to W.S.
9 9-2-1014, including a complete statement of the financial
10 position and operation of the lottery;

11

12 (v) Contract with a state agency or a private
13 business experienced in security procedures to periodically
14 conduct a comprehensive study and evaluation of all aspects
15 of security in the operation of the lottery.

16

17 (b) The board shall adopt rules governing operation
18 of lottery games, including:

19

20 (i) The types of locations at which tickets may
21 be sold;

22

23 (ii) The methods by which tickets are advertised
24 to prospective buyers;

1

2 (iii) The licensing of lottery game retailers to
3 sell tickets, except no person under the age of eighteen
4 (18) years shall be licensed as a lottery game retailer and
5 no license shall be transferable;

6

7 (iv) The manner and compensation to be paid to
8 licensed lottery game retailers including special bonuses
9 or incentives, as necessary, to provide for the adequate
10 availability of tickets to prospective buyers and for the
11 convenience of the public;

12

13 (v) The type and form of records, books of
14 accounts and other papers the board requires for the
15 examination of licensed lottery game retailers pursuant to
16 W.S. 11-25-205(e);

17

18 (vi) Other matters necessary for the efficient
19 and economical operation and administration of the lottery
20 and for the convenience of purchasers of tickets or holders
21 of winning tickets.

22

23 (c) The board may:

24

1 (i) Employ personnel necessary to implement this
2 article;

3

4 (ii) Contract for materials, equipment and
5 supplies to design, install, operate and promote the
6 lottery and for studies relevant to the successful
7 operation of the lottery;

8

9 (iii) License lottery game retailers to sell
10 lottery tickets;

11

12 (iv) Enter into written agreements with one (1)
13 or more government authorized lotteries to participate in
14 the conduct and operation of lottery games, including
15 powerball, and may enter into written agreements with one
16 (1) or more government authorized lotteries or other
17 persons, entities, organizations or associations to
18 purchase goods or services in support of lottery games when
19 necessary or desirable to make lottery games more
20 remunerative for the state of Wyoming, so long as the games
21 and purchases are consistent with this article.

22

23 (d) For purposes of enforcing this article, the board
24 through its chairman, employees or agents may examine

1 during business hours the records, books or other
2 documentation of the conduct of the lottery kept by
3 licensed lottery game retailers. In any examination, the
4 board may require by subpoena the production of all
5 documentation and other evidence relevant to the inquiry.

6
7 (e) Any Wyoming district court, upon application by
8 the board or its chairman, may issue an order requiring
9 compliance with a subpoena issued by the board. Failure to
10 obey the order of the court may be punished as contempt.

11
12 **11-25-205. Licenses; issuance; suspension and**
13 **revocation; persons prohibited from holding.**

14
15 (a) The board shall include in its licensing rules
16 and regulations requirements relating to:

17
18 (i) Financial responsibility and bonding of
19 lottery game retailers;

20
21 (ii) Accessibility of the licensee's place of
22 business to the public;

23
24 (iii) Volume of expected sales;

1

2 (iv) Character of the licensee;

3

4 (v) Public display of the license;

5

6 (vi) Other matters relating to the security and
7 efficient operation of the lottery organization.

8

9 (b) A license shall be revoked if the board finds,
10 after notice and an opportunity for a hearing, that the
11 licensee has:

12

13 (i) Provided false or misleading information to
14 the board or commission;

15

16 (ii) Been convicted of any felony, a crime
17 involving fraud or misrepresentation or a gambling related
18 offense;

19

20 (iii) Endangered the security of the lottery; or

21

22 (iv) Become a person whose character is no
23 longer consistent with the protection of the public
24 interest and trust in the lottery corporation.

1

2 (c) A license may be suspended, revoked or not
3 renewed for any of the following if after notice and
4 opportunity for a hearing the board finds the holder has:

5

6 (i) Changed business location;

7

8 (ii) An insufficient sales volume;

9

10 (iii) Failed to pay monies owed to the lottery
11 organization;

12

13 (iv) Endangered the efficient operation of the
14 lottery organization; or

15

16 (v) Violated this article or any rule or
17 regulation of the board or commission.

18

19 (d) Any person who has reached the age of eighteen
20 (18) years or an organization may be a licensed lottery
21 game retailer except:

22

23 (i) A person employed solely as a lottery game
24 retailer;

1

2 (ii) A person convicted of a felony, a crime
3 involving fraud or misrepresentation or a gambling related
4 offense;

5

6 (iii) A person who is or has been engaged in any
7 form of illegal gambling;

8

9 (iv) A person not of good character and
10 reputation in the community in which he resides; or

11

12 (v) An organization in which a person listed in
13 paragraphs (i) through (iv) of this subsection:

14

15 (A) Has a financial interest;

16

17 (B) Is an officer, director or managing
18 agent;

19

20 (C) Participates in the management or sales
21 of lottery tickets.

22

23 (e) Each licensed lottery game retailer shall
24 maintain records and other documentation that completely

1 describes all lottery transactions and any other
2 information necessary for the proper administration of the
3 lottery as required by the board's rules and regulations.

4
5 (f) Licenses shall specify the place at which the
6 sales will occur, but no license shall be issued for any
7 premises that provides living accommodations for the
8 lottery game retailer.

9
10 (g) All hearings and appeals from board decisions
11 regarding the granting, renewing, suspending or revoking of
12 a license shall be governed by the Wyoming Administrative
13 Procedure Act.

14
15 **11-25-206. Contractors supplying gaming equipment;**
16 **disclosures.**

17
18 (a) Any person submitting an application to contract
19 as a supplier under this article shall disclose under oath
20 in the application:

21
22 (i) The business name and address and names and
23 addresses of the following:

24

1 (A) All general and limited partners if the
2 applicant is a partnership;

3

4 (B) The trustee and all persons entitled to
5 receive income or benefit from the trust if the applicant
6 is a trust;

7

8 (C) The members, officers and directors if
9 the applicant is an association or limited liability
10 company;

11

12 (D) The officers, directors and each owner
13 or holder, directly or indirectly, of any equity security
14 or other evidence of ownership of any interest if the
15 applicant is a corporation. In the case of owners or
16 holders of publicly held equity securities of a publicly
17 traded corporation, then only the names and addresses of
18 those owning or holding one percent (1%) or more of the
19 publicly held securities shall be provided;

20

21 (E) The holding or parent company involved
22 if the applicant is a subsidiary company, and the officers,
23 directors and stockholders of each. In the case of owners
24 or holders of publicly held securities of a holding company

1 that is a publicly traded corporation, then only the names
2 and addresses of those owning or holding one percent (1%)
3 or more of the publicly held securities shall be provided.
4

5 (ii) All the states in which a business
6 organization applicant is incorporated or otherwise
7 registered to do business and the nature of that business;
8

9 (iii) Other jurisdictions in which the applicant
10 has contracts to supply gaming materials or equipment;
11

12 (iv) The details of any state or federal
13 criminal conviction of the applicant or any person whose
14 name and address is required under paragraph (i) of this
15 subsection;
16

17 (v) The details of any disciplinary action taken
18 by any state against the applicant or any person whose name
19 and address is required under paragraph (i) of this
20 subsection regarding any matter related to the selling,
21 leasing, offering for sale or lease, buying or servicing of
22 gaming materials or equipment;
23

1 (vi) A statement of the gross receipts realized
2 in the preceding year from the sale, lease or distribution
3 of gaming materials or equipment to states operating
4 lotteries and to private persons licensed to conduct
5 gambling. The statement shall differentiate that portion
6 of the gross receipts attributable to transactions with
7 states operating lotteries from that portion of the gross
8 receipts attributable to transactions with private persons
9 licensed to conduct gambling;

10

11 (vii) The name and address of any source of
12 gaming materials or equipment for the applicant;

13

14 (viii) The number of years the applicant has
15 been in the business of supplying gaming materials or
16 equipment;

17

18 (ix) Any other information accompanied by any
19 documents the board may by rule or regulation require as
20 necessary or appropriate.

21

22 (b) The involved holding or parent company shall
23 supply the information required of the applicant by this
24 section if the applicant is a subsidiary company.

1

2 (c) The costs of any investigation into the
3 background of the applicant seeking a contract shall be
4 assessed against the applicant and shall be paid by the
5 applicant at the time the application is filed.
6 Investigations may be conducted by the board, any qualified
7 investigator hired or designated by the board, or another
8 law enforcement entity as appropriate.

9

10 (d) No person, firm, association or corporation
11 contracting to supply gaming equipment or materials to the
12 state for use in the operation of the state lottery
13 organization shall be:

14

15 (i) Directly or indirectly associated with any
16 person, corporation or other business organization licensed
17 as a lottery game retailer under this article;

18

19 (ii) A member of the commission or board;

20

21 (iii) An employee or independent contractor of
22 the commission or board; or

23

1 (iv) The immediate family of members, employees
2 or independent contractors of the commission or board.

3

4 (e) No contract shall be formed with an applicant if:

5

6 (i) A person disclosed pursuant to paragraph
7 (a)(i) or (vii) of this section has been convicted of a
8 felony or gambling related offense, engaged in any form of
9 illegal gambling, is not of good character and reputation
10 relevant to the secure and efficient operation of the
11 lottery or has been convicted of a crime involving fraud or
12 misrepresentation; or

13

14 (ii) A disciplinary action disclosed pursuant to
15 paragraph (a)(v) of this section was resolved adversely to
16 the supplier.

17

18 (f) No contract for the supply of gaming materials or
19 equipment for use in the operation of the state lottery
20 organization shall be enforceable against the state if the
21 supplier fails to comply with the provisions of this
22 section.

23

1 (g) If a contract for lottery tickets, lottery
2 consulting services or lottery terminals or equipment
3 exceeds one hundred thousand dollars (\$100,000.00) or if a
4 contract is for drawing equipment regardless of value, each
5 prospective corporate supplier shall at the time of
6 submission of its bid or proposal, provide a current
7 personal financial statement and individual federal and
8 state income tax returns from the past three (3) years for
9 each of its officers and directors and for each of the
10 officers and directors of all parent and holding companies
11 affiliated with the supplier.

12

13 **11-25-207. Conflicts of interests.**

14

15 (a) No member of the commission or board, employee or
16 independent contractor of the commission or board, or
17 member of their immediate families shall have any financial
18 interest in:

19

20 (i) Any lottery;

21

22 (ii) The sale of any lottery tickets; or

23

1 (iii) Any organization supplying equipment,
2 materials or services for use in the operation of the
3 lottery or licensed as a lottery game retailer under this
4 article.

5
6 (b) No member of the commission or board, employee or
7 independent contractor of the commission or board, or
8 member of their immediate families shall receive any gift,
9 gratuity or other thing of more than fifty dollars (\$50.00)
10 in value per month from any person contracting with the
11 state to provide equipment, materials or services for use
12 in the operation of the lottery or from any person licensed
13 as a lottery game retailer under this article.

14
15 (c) No member of the commission or board, employee or
16 independent contractor of the commission or board, licensed
17 lottery game retailer or member of their immediate families
18 shall purchase any ticket for or receive any prize from a
19 lottery under this article.

20
21 **11-25-208. Prizes; not assignable; withholding of**
22 **amounts owed state; discharge of liability.**

23

1 (a) The right of any person to a prize is not
2 assignable, except payment of a prize may be paid to the
3 estate of a deceased prizewinner or as directed by court
4 order.

5
6 (b) Unclaimed prize money shall be retained for a
7 period set by rule of the board. Any person who fails to
8 claim a prize after the period set by the board shall
9 forfeit all rights to the prize. If a valid claim is not
10 made for the money within the period set by the board, the
11 prize money shall be added to future prize pools.

12
13 (c) Before payment of any prize in excess of five
14 hundred dollars (\$500.00), the director shall check the
15 name, address and social security number of the person
16 claiming the prize with lists of people identified as
17 having an outstanding debt owed to the state of Wyoming or
18 from a support order, as defined in W.S. 20-6-102. The
19 department of revenue and the department of family services
20 shall provide lists to the board. The chairman shall
21 withhold payment of prize money from any prizewinner whose
22 name appears on a list, but shall transfer it to pay the
23 outstanding debt as provided by applicable law.

24

1 (d) The commission and board are discharged of all
2 liability upon payment of any prize under this section.

3

4 **11-25-209. Prohibited acts.**

5

6 (a) No person shall:

7

8 (i) Sell a lottery ticket at a price different
9 from that fixed by the board;

10

11 (ii) Sell a lottery ticket unless licensed to do
12 so under this article;

13

14 (iii) Sell or transfer a lottery ticket to a
15 minor;

16

17 (iv) Sell a lottery ticket at a location other
18 than that specified on the license;

19

20 (v) If a minor, purchase a lottery ticket.

21

22 **11-25-210. Advertising.**

23

1 Promotional advertising regarding the lottery shall state
2 the odds of winning. Promotional advertising expenses
3 shall be paid from the lottery account.

4

5 **11-25-211. Revenue from sales; disposition; lottery**
6 **account created.**

7

8 (a) There is created a lottery account in the
9 enterprise fund.

10

11 (b) Revenues from the sale of lottery tickets shall
12 be paid to the state treasurer for deposit into the lottery
13 account, except that the treasurer shall deposit one
14 percent (1%) of the gross revenues to the pari-mutuel
15 account within the earmarked revenue fund for the uses
16 provided for by W.S 11-25-105(d), as appropriated by the
17 legislature. All expenses of the commission and
18 corporation incurred under this article including salaries
19 shall be paid from the lottery account, as appropriated by
20 the legislature.

21

22 (c) Prizes shall be paid from the lottery account.
23 Total disbursements for lottery prizes shall be not less
24 than forty-five percent (45%) of the total revenue accruing

1 from the sale of lottery tickets, and sufficient funds to
2 pay prizes are continuously appropriated from that account.

3

4 (d) Annually, the state treasurer shall transfer
5 remaining revenues in excess of expenses, prizes and
6 reserves necessary for efficient operation as follows:

7

8 (i) Of the first two million dollars
9 (\$2,000,000.00) in revenues under this subsection:

10

11 (A) Fifty percent (50%) shall be credited to
12 an account created within the earmarked revenue fund to be
13 used, as appropriated by the legislature, for the purpose
14 of providing assistance to senior citizen services through
15 the department of health, as authorized by W.S. 9-2-1201
16 through 9-2-1209;

17

18 (B) Fifty percent (50%) shall be credited to
19 the state parks and historic sites capital construction
20 account created by W.S. 36-4-121(h) to be expended as
21 provided by W.S. 36-4-121(h)(i).

22

23 (ii) All remaining revenues to the general fund.

24

1 **11-25-212. Criminal penalties.**

2

3 (a) Except as provided by subsection (b) of this
4 section, a person violating this article commits a
5 misdemeanor punishable by a fine of not more than one
6 thousand dollars (\$1,000.00), imprisonment for not more
7 than one (1) year, or both. Each violation is a separate
8 offense.

9

10 (b) Any person who knowingly falsifies, alters,
11 forges, passes or counterfeits a lottery ticket or receipt
12 for the purchase of a lottery ticket issued under this
13 article is guilty of a felony punishable by a fine of not
14 less than five thousand dollars (\$5,000.00), imprisonment
15 for not less than one (1) year, nor more than five (5)
16 years, or both. Each violation is a separate offense.

17

18 **Section 2.** W.S. 9-1-627(d), 11-25-105(d) and
19 39-15-105(a)(iv) by creating a new subparagraph (J) are
20 amended to read:

21

22 **9-1-627. Authority to compile, disseminate and**
23 **exchange information; immunity; access to information**
24 **limited; security precautions.**

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(d) Access to criminal history record information is available to the Wyoming pari-mutuel commission and Wyoming lottery corporation as provided by W.S. 11-25-104(j) and 11-25-202(b). The commission and corporation shall take reasonable security precautions to prevent unauthorized persons from gaining access to criminal history record information in accordance with rules and regulations established by the Wyoming division of criminal investigation. For the purpose of this subsection "criminal history record information" means information, records and data compiled by criminal justice agencies on individuals for the purpose of identifying criminal offenders consisting of identifiable descriptions of the offenders and notations or a summary of arrests, detentions, indictments, information, pre-trial proceedings, nature and disposition of criminal charges, sentencing, rehabilitation, incarceration, correctional supervision and release. Criminal history record information is limited to information recorded as the result of the initiation of criminal proceedings. It does not include intelligence data, analytical prosecutorial files, investigative reports and files of statistical

1 records and reports in which individual identities are not
2 ascertainable.

3

4 **11-25-105. Pari-mutuel permits; fees and reports;**
5 **disposition of funds; enforcement of provisions.**

6

7 (d) All sums paid to the commission under this act
8 except contributions from permittees to the breeder award
9 fund, fines and penalties shall be credited to the pari-
10 mutuel account within the earmarked revenue fund which
11 shall be used by the commission for the payment of all
12 expenses incurred in enforcing this act. Funds deposited
13 pursuant to W.S. 11-25-210(b) shall be used by the
14 commission to promote the economic development and
15 enhancement of horse racing in Wyoming. All fines and
16 penalties assessed under this act shall be credited to the
17 county public school fund. The state treasurer shall pay
18 out of the account all warrants drawn by the state auditor,
19 upon vouchers issued and signed by the president, vice-
20 president or executive secretary of the commission. The
21 commission shall keep an accurate and true account of all
22 funds received and all vouchers issued by the commission.
23 All funds received and all vouchers issued by the
24 commission shall be audited at least biennially by the

1 director of the state department of audit or his designee
2 and a copy of the audit shall be delivered within thirty
3 (30) days after completion to the governor and the
4 commission. The costs of the audit shall be borne by the
5 commission. The members of the commission shall receive
6 statutory per diem expenses and mileage as allowed state
7 employees, and compensation of fifty dollars (\$50.00) for
8 each day during which they are actually engaged in the
9 discharge of their duties. The total expenses incurred by
10 the commission shall not exceed the total amount in the
11 pari-mutuel account.

12

13 **39-15-105. Exemptions.**

14

15 (a) The following sales or leases are exempt from the
16 excise tax imposed by this article:

17

18 (iv) For the purpose of exempting sales of
19 services and tangible personal property sold to government,
20 charitable and nonprofit organizations, irrigation
21 districts and weed and pest control districts, the
22 following are exempt:

23

1 (J) Sales of and retail commissions on
2 lottery tickets issued by the Wyoming state lottery
3 organization under W.S. 11-25-201 through 11-25-211.
4

5 **Section 3.** There is appropriated from the general
6 fund to the lottery account in the enterprise fund the sum
7 of two million dollars (\$2,000,000.00), or as much thereof
8 as necessary, to carry out the purpose of this act. This
9 appropriation is an advance to facilitate establishment of
10 the lottery and shall be repaid from profits as soon as
11 practicable but in no event later than one (1) year after
12 the first prize is paid out. Repayment of these funds
13 shall be made prior to any distributions pursuant to W.S.
14 11-25-210(d).

15

16 **Section 4.**

17

18 (a) The Wyoming pari-mutuel commission is authorized
19 to expend and there is appropriated from the lottery
20 account in the enterprise fund ten percent (10%) of total
21 revenue from sales of lottery tickets, to the commission
22 for salaries and all administrative expenses, except prizes
23 and repayment of the advance from the general fund,
24 necessary to operate the lottery through June 30, 2006, or

1 as much thereof as necessary to carry out the purposes of
2 this act.

3

4 (b) The Wyoming lottery corporation is authorized to
5 expend and there is appropriated from the lottery account
6 in the enterprise fund twenty percent (20%) of total
7 revenue from sales of lottery tickets, to the corporation
8 for salaries and all administrative expenses, except prizes
9 and repayment of the advance from the general fund,
10 necessary to operate the lottery through June 30, 2006, or
11 as much thereof as necessary to carry out the purposes of
12 this act.

13

14 **Section 5.** This act is effective July 1, 2005.

15

16 (END)