

HOUSE BILL NO. HB0284

Video skill games-2.

Sponsored by: House Appropriations Committee

A BILL

for

1 AN ACT relating to gaming; providing for regulation of video
 2 skill games by the lottery corporation; requiring permitting
 3 of dealers of video skill games; providing for fees; providing
 4 for criminal history record checks; providing penalties;
 5 providing rulemaking authority; authorizing play on video
 6 skill games; and providing for effective dates.

7

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

9

10 **Section 1.** W.S. 9-17-201 through 9-17-205 are created
 11 to read:

12

13

ARTICLE 2

14

VIDEO SKILL GAMES

15

16 **9-17-201. Definitions.**

1

2 (a) As used in this article:

3

4 (i) "Application of skill" means the use of
5 knowledge, dexterity or ability in any form that is not
6 exclusively reliant upon lot or chance;

7

8 (ii) "Dealer" means a person engaged in the
9 business of owning, supplying, delivering and maintaining
10 video skill games;

11

12 (iii) "Net earnings" means all revenue less
13 payment of vouchers;

14

15 (iv) "Qualified truck stop facility" means a
16 facility that:

17

18 (A) Is equipped with pumps for fueling
19 commercial motor vehicles;

20

21 (B) Has sold not less than fifty thousand
22 (50,000) gallons of diesel fuel or bio-diesel fuel on average

1 for each of the previous twelve (12) months, as determined by
2 the board;

3

4 (C) Contains not less than twenty (20)
5 parking spaces dedicated for the use of commercial motor
6 vehicles;

7

8 (D) Contains a store that sells food and
9 beverages; and

10

11 (E) Is situated on one (1) developed site
12 three (3) acres or more in size, which is owned or leased by
13 the operator of the facility.

14

15 (v) "Video skill game" means a game or machine
16 that:

17

18 (A) Allows a person to play a game by
19 inserting or using currency or a coin, card, coupon, slug,
20 token or similar device;

21

1 (B) Includes a feature that allows a player
2 to view the potential outcome of the game prior to initiation
3 of play;

4

5 (C) Provides an opportunity to earn a prize
6 on a winning play through the application of skill;

7

8 (D) Provides a finite series of outcomes on
9 each pay level of each game theme on the game or machine; and

10

11 (E) Issues vouchers.

12

13 (vi) "Voucher" means a coupon issued by a video
14 skill game that allows a player to redeem cash winnings.

15

16 **9-17-202. Permits; fees; requirements.**

17

18 (a) The board shall regulate video skill games and
19 dealers. A dealer shall possess a permit issued by the board
20 to own, supply, deliver or maintain video skill games in
21 Wyoming.

22

1 (b) A person applying for an initial dealer permit
2 shall do so on a uniform application furnished by the
3 corporation. The applicant shall provide the board
4 fingerprints and other information and permission necessary
5 for a criminal history record background check. The
6 corporation shall perform full criminal background
7 investigations on all permit applicants. The cost of the
8 criminal history record background check shall be paid using
9 a portion of the applicant's permit fee charged pursuant to
10 subsection (d) of this section.

11

12 (c) The board shall issue permits to qualified
13 applicants. The board shall develop a list of objective
14 criteria upon which the qualification of dealers shall be
15 based. In developing these criteria, the board shall consider
16 factors including the applicant's financial responsibility,
17 security of the applicant's place of business or activity,
18 accessibility to the public, integrity and reputation. The
19 board shall not consider political affiliation, activities or
20 monetary contributions to political organizations or
21 candidates for any public office.

22

1 (d) The board shall charge a fee of five thousand
2 dollars (\$5,000.00) for an initial dealer permit. A permit
3 shall be valid for one (1) year. The board shall charge a fee
4 of two thousand five hundred dollars (\$2,500.00) for a dealer
5 permit renewal.

6

7 (e) Dealer permit fees charged pursuant to subsection
8 (d) of this section shall be remitted to the state treasurer
9 for deposit in the lottery corporation gaming account, which
10 is hereby created. Amounts within the account may be used by
11 the corporation for operating expenses incurred in
12 administering this article.

13

14 (f) The board shall regulate video skill games in
15 accordance with the following:

16

17 (i) Each dealer shall submit to the board a
18 general functional evaluation laboratory report from an
19 independent gaming laboratory regarding the software
20 installed on each video skill game to ensure the video skill
21 game is in compliance with this article;

22

1 (ii) No video skill game shall allow a bet of more
2 than two dollars (\$2.00) per play;

3

4 (iii) No video skill game shall allow a payout of
5 more than one thousand five hundred dollars (\$1,500.00) per
6 play;

7

8 (iv) Each video skill game shall be programmed to
9 have a payout ratio of not less than eighty-eight percent
10 (88%) and not more than ninety-five percent (95%) over one
11 (1) complete series of game outcomes;

12

13 (v) The series of outcomes on a video skill game
14 shall never be reset on any meter controlling the video skill
15 game;

16

17 (vi) A single place of business shall have not
18 more than two (2) video skill games at any one (1) time;

19

20 (vii) A qualified truck stop or other place of
21 business with a video skill game shall not locate a video
22 skill game in an area of the qualified truck stop facility or
23 other place of business where a person under the age of

1 eighteen (18) years may enter. No person under the age of
2 eighteen (18) years shall play a video skill game;

3

4 (viii) Each video skill game shall bear a board
5 issued decal. Decals shall not be transferred between video
6 skill games. A decal shall be valid for twelve (12) months.
7 The board shall charge an annual fee of fifty dollars (\$50.00)
8 for a decal. Fees charged pursuant to this paragraph shall be
9 remitted to the state treasurer for deposit in the lottery
10 corporation gaming account;

11

12 (ix) A video skill game shall only be operable for
13 play when located in a qualified truck stop facility or other
14 place of business that possesses a valid license issued under
15 W.S. 12-4-201, 12-4-301, 12-4-401, 12-4-407 or 12-4-413.

16

17 (g) The board may conduct inspections of video skill
18 games as it deems necessary to administer this article.

19

20 (h) The board shall promulgate appropriate
21 recordkeeping and reporting rules for dealers and other
22 appropriate rules to allow for administration and enforcement
23 of this article. The promulgation of these rules shall be

1 exempt from the requirements of W.S. 16-3-101 through
2 16-3-115.

3

4 (j) Any dealer aggrieved by an action of the board may
5 appeal that decision to the first judicial district court.

6

7 **9-17-203. Distributions to counties, cities and towns.**

8

9 (a) On a monthly basis, a dealer shall remit four
10 percent (4%) of net earnings from the dealer's video skill
11 games to the corporation. The corporation shall remit these
12 monies to the state treasurer for distribution to each county
13 and its cities and towns by computing the proportion of net
14 earnings collected that are attributable to dealers in the
15 county including its cities and towns to total net earnings
16 collected by dealers in all counties including their cities
17 and towns. This proportion of the balance shall be distributed
18 within each county as follows:

19

20 (i) To a county in the proportion that the
21 population of the county situated outside the corporate
22 limits of its cities and towns bears to the total population
23 of the county including cities and towns;

1

2 (ii) To each city and town within the county in
3 the proportion the population of the city or town bears to
4 the total population of the county including its cities and
5 towns.

6

7 (b) On a monthly basis, a dealer shall remit four
8 percent (4%) of net earnings from the dealer's video skill
9 games to the corporation. The corporation shall remit these
10 monies to the state treasurer for distribution to the school
11 foundation program account.

12

13 (c) On a monthly basis, a dealer shall remit two percent
14 (2%) of net earnings from the dealer's video skill games to
15 the corporation. The corporation shall deposit these monies
16 in the lottery corporation gaming account to be used for
17 operating expenses of the corporation.

18

19 (d) The chief executive officer shall provide quarterly
20 to the department of audit, the joint revenue interim
21 committee, the joint travel, recreation, wildlife and
22 cultural resources interim committee and the board a full and

1 complete statement of revenues received by the corporation
2 pursuant to this article.

3

4 **9-17-204. Penalties.**

5

6 (a) A dealer who knowingly allows the operation of one
7 (1) or more of the dealer's video skill games and who does
8 not possess a valid dealer permit issued by the board under
9 this article shall be subject to the following, in addition
10 to any penalty imposed under W.S. 6-7-102:

11

12 (i) For a first offense:

13

14 (A) A civil penalty of five thousand dollars
15 (\$5,000.00) per video skill game in operation; and

16

17 (B) Forfeiture of each of the dealer's video
18 skill games in operation.

19

20 (ii) For a second or subsequent offense:

21

22 (A) A civil penalty of ten thousand dollars
23 (\$10,000.00) per video skill game in operation; and

1

2 (B) Forfeiture of each of the dealer's video
3 skill games in operation.

4

5 (b) The board shall not issue a dealer permit to a
6 person who has been subject to multiple civil penalties under
7 subsection (a) of this section.

8

9 (c) A dealer who possesses a valid dealer permit issued
10 by the board under this article who knowingly allows the
11 operation of one (1) or more of the dealer's video skill games
12 to be operated in a manner inconsistent with the requirements
13 of W.S. 9-17-202(f)(i) through (ix) shall be subject to a
14 civil penalty of five thousand dollars (\$5,000.00) per video
15 skill game operated in a manner inconsistent with W.S.
16 9-17-202(f)(i) through (ix), in addition to any penalty
17 imposed under W.S. 6-7-102.

18

19 **9-17-205. Authority of cities, towns and counties.**

20

21 A city, town or county by local ordinance or resolution may
22 establish limitations or prohibitions on any person operating
23 a video skill game within the local jurisdiction.

1

2 **Section 2.** W.S. 6-7-101(a)(iii) by creating a new
3 subparagraph (M), 7-19-201(a)(xxi) and 9-17-103(a)(vi) and
4 (xiv) are amended to read:

5

6 **6-7-101. Definitions.**

7

8 (a) As used in this article:

9

10 (iii) "Gambling" means risking any property for
11 gain contingent in whole or in part upon lot, chance, the
12 operation of a gambling device or the happening or outcome of
13 an event, including a sporting event, over which the person
14 taking a risk has no control, but does not include any of the
15 following:

16

17 (M) Playing any video skill game, as defined
18 in W.S. 9-17-201(a)(v), which bears a decal issued by the
19 lottery corporation.

20

21 **7-19-201. State or national criminal history record**
22 **information.**

23

1 (a) The following persons shall be required to submit
2 to fingerprinting in order to obtain state and national
3 criminal history record information:
4

5 (xxi) Board members, applicants, vendors, ~~and~~
6 retailers and dealers required to receive a background
7 investigation as provided in W.S. 9-17-104(c), 9-17-110(e), ~~and~~
8 ~~9-17-120(b)~~ and (c)(i) and 9-17-202(b). Fingerprint card
9 submissions under this paragraph shall be forwarded through
10 the division of criminal investigation and the division of
11 criminal investigation shall be responsible for receiving and
12 screening the results of any record check to determine an
13 applicant's suitability for employment or licensing under the
14 provisions specified in this paragraph;
15

16 **9-17-103. Definitions.**
17

18 (a) As used in this chapter:
19

20 (vi) "Lottery," "lotteries," "lottery game" or
21 "lottery games" means any game of chance approved by the board
22 and operated pursuant to this ~~chapter~~ article, specifically
23 limited to a state lottery or multi-state games, and shall

1 not include instant tickets, scratch-off tickets, video
2 lottery terminals or any other electronic game involving
3 direct physical contact between the player and a machine;
4

5 (xiv) "Vendor" or "retailer" means any person
6 authorized to supply lottery goods or services under this [act](#)
7 [article](#).
8

9 **Section 3.** The board of directors of the lottery
10 corporation shall promulgate rules required by this act not
11 later than July 1, 2019.
12

13 **Section 4.**
14

15 (a) Except as provided in subsection (b) of this
16 section, this act is effective July 1, 2019.
17

18 (b) Sections 3 and 4 of this act are effective
19 immediately upon completion of all acts necessary for a bill
20 to become law as provided by Article 4, Section 8 of the
21 Wyoming Constitution.
22

23 (END)