

[TO SUBSTITUTE BILL No. 1]

- 1 Delete the Washut third reading amendment (HB0171H3001/A) entirely
2 and further amend as follows:
3
- 4 Page 1-line 6 Before "as specified" insert "and video gaming
5 terminals"; delete "skill based amusement".
6
- 7 Page 1-line 8 After "account;" insert "providing for a
8 continuous appropriation;".
9
- 10 Page 1-line 10 After "as specified;" insert "providing
11 penalties;".
12
- 13 Page 2-line 5 Delete "June 30, 2021" and insert "September
14 30, 2020".
15
- 16 Page 4-line 19 Delete "June 30,".
17
- 18 Page 4-line 20 Delete "2021" and insert "September 30, 2020".
19
- 20 Page 4-line 22 Delete "June".
21
- 22 Page 5-line 1 Delete "30, 2021" and insert "September 30,
23 2020".
24
- 25 Page 5-line 5 Delete "gross income" and insert "net
26 proceeds".
27
- 28 Page 5-line 8 Delete "gross income" and insert "net
29 proceeds".
30
- 31 Page 5-after line 13 Insert:
32
- 33 "(n) Commencing October 1, 2020 a sixty-one (61) day
34 transition period shall occur. Those establishments that apply for
35 an establishment permit under W.S. 11-25-202, as created by this
36 act, may continue to have skill based amusement games in the
37 establishment so long as the skill based amusement games continue
38 to meet the requirements of this section. Those operators that
39 apply for a vendor permit under W.S. 11-25-202 may continue to
40 operate skill based amusement games so long as the skill based
41 amusement games continue to meet the requirements of this section.
42 Commencing December 1, 2020, an establishment shall only have skill

1 based amusement games within an establishment if the establishment
2 and skill based amusement games are properly permitted under W.S.
3 11-25-202. Commencing December 1, 2020, operators shall only
4 operate skill based amusement games if properly permitted under
5 W.S. 11-25-202. During this transition period, if the commission
6 rejects an establishment's application under W.S. 11-25-202 or the
7 establishment fails to receive a permit under W.S. 11-25-202, the
8 establishment shall not be authorized to have any skill based
9 amusement game within the establishment. During this transition
10 period, if the commission rejects an operator's application under
11 W.S. 11-25-202 or the operator fails to receive a permit under
12 W.S. 11-25-202, the operator shall not be authorized to possess or
13 operate a skill based amusement game in Wyoming. Any skill based
14 amusement game not authorized under W.S. 11-25-202 on or after
15 December 1, 2020 shall be immediately removed from the state."

16
17 Page 5-line 15 Delete "(n)" and insert "(o)".

18
19 Page 5-line 16 After "implement" insert ", enforce".

20
21 Page 5-line 18 Delete "(o)" and insert "(p)".

22
23 Page 5-line 21 Delete "(p)" and insert "(q)".

24
25 Page 6-line 7 Delete "Gross income" and insert "Net
26 proceeds".

27
28 Page 6-line 8 Delete entirely and insert "the payment to the
29 player;".

30
31 Page 6-lines 10 through 13 Delete entirely.

32
33 Page 6-line 15 Delete "(v)" and insert "(iv)".

34
35 Page 6-line 18 Delete "(vi)" and insert "(v)".

36
37 Page 7-after line 3 Insert:

38
39 **"Section 2.** W.S. 11-25-201 through 11-25-205 are created to
40 read:

41
42 **ARTICLE 2**
43 **AUTHORIZED GAMING TERMINALS**

44
45 **11-25-201. Definitions.**

46
47 (a) As used in this article:

1
2 (i) "Authorized gaming terminal" means a player
3 activated video gaming terminal that in exchange for consideration
4 of cash, credit or other thing of value allows the player to play
5 a game for which the player has an opportunity to win cash, credit
6 or other thing of value;

7
8 (ii) "Commission" means the commission created under
9 W.S. 11-25-101;

10
11 (iii) "Establishment" means a single physical place of
12 business;

13
14 (iv) "Net proceeds" means all revenue less the payment
15 to the player;

16
17 (v) "Terminal data collection and control system" means
18 a computerized system that:

19
20 (A) Each authorized gaming terminal is connected to
21 using standard industry protocols;

22
23 (B) Can activate or deactivate an authorized gaming
24 terminal from a remote location; and

25
26 (C) Is capable of monitoring and auditing
27 authorized gaming terminal plays.

28
29 (vi) "Vendor" means a person that possesses and
30 operates authorized gaming terminals for profit.

31
32 **11-25-202. Permits; fees; requirements; rulemaking.**

33
34 (a) The commission shall regulate authorized gaming
35 terminals, establishments with authorized gaming terminals and
36 vendors of authorized gaming terminals. An establishment shall
37 possess a permit issued by the commission to allow the operation
38 of authorized gaming terminals. A vendor shall possess a permit
39 issued by the commission to possess or operate an authorized gaming
40 terminal in Wyoming.

41
42 (b) Commencing December 1, 2020, only commission approved
43 vendors may operate authorized gaming terminals in the state, only
44 commission approved establishments may have authorized gaming
45 terminals in an establishment and only commission approved
46 authorized gaming terminals may be operated in the state. This
47 article shall not apply to pari-mutuel wagering on events that

1 have previously occurred or to gaming activities conducted on the
2 Wind River Indian Reservation.

3
4 (c) A person applying for an initial establishment or vendor
5 permit shall do so on a uniform application furnished by the
6 commission. The applicant shall pay a commission established fee
7 and provide the commission information and permission necessary
8 for a criminal history record background check. The commission
9 shall perform criminal background investigations on all permit
10 applicants as it determines necessary. The commission shall begin
11 accepting establishment and vendor applications on October 1,
12 2020.

13
14 (d) The commission may issue permits to qualified
15 applicants. The commission shall develop a list of objective
16 criteria upon which the qualification of establishments and
17 vendors shall be based.

18
19 (e) The commission shall charge a fee of five hundred dollars
20 (\$500.00) for an initial establishment permit. The commission
21 shall charge a fee of five thousand dollars (\$5,000.00) for an
22 initial vendor permit. Permit renewal fees shall be one-half (1/2)
23 of the amount of initial permit fees.

24
25 (f) Permit fees charged pursuant to subsection (e) of this
26 section shall be remitted to the state treasurer for deposit in
27 the commission gaming account. Amounts within the account may be
28 used by the commission for operating expenses incurred in
29 administering this article.

30
31 (g) The commission shall regulate authorized gaming
32 terminals in accordance with the following:

33
34 (i) No authorized gaming terminal shall allow a game
35 play of more than three dollars (\$3.00) per play;

36
37 (ii) No authorized gaming terminal shall allow a payout
38 of more than three thousand dollars (\$3,000.00) per play;

39
40 (iii) Each authorized gaming terminal shall be
41 connected to a terminal data collection and control system approved
42 by the commission. The terminal data collection and control system
43 shall:

44
45 (A) Calculate net proceeds earned by each vendor on
46 an authorized gaming terminal;

1 (B) Submit not less than weekly to the commission
2 a report on all activities of the authorized gaming terminal;
3

4 (C) Deauthorize play any time the authorized gaming
5 terminal is not in compliance with all applicable statutes and
6 rules of the commission.
7

8 (iv) An establishment shall have not more than four (4)
9 authorized gaming terminals at any one (1) time;
10

11 (v) An establishment shall not locate an authorized
12 gaming terminal in an area of the establishment into which a person
13 under the age of twenty-one (21) years may enter. An establishment
14 shall conspicuously mark each area of the establishment with an
15 authorized gaming terminal as an "age restricted area";
16

17 (vi) An establishment shall not allow a person under the
18 age of twenty-one (21) years to play an authorized gaming terminal;
19

20 (vii) Each commission approved authorized gaming
21 terminal shall bear a commission issued decal. The decal shall
22 identify the vendor of the authorized gaming terminal. Decals shall
23 not be transferred between authorized gaming terminals. A decal
24 shall be valid for twelve (12) months. The commission shall charge
25 an annual fee of fifty dollars (\$50.00) for a decal. Fees charged
26 pursuant to this paragraph shall be remitted to the state treasurer
27 for deposit in the commission gaming account;
28

29 (viii) The commission shall establish a reasonable
30 average payout ratio to minimize problem gambling.
31

32 (h) The commission shall promulgate any necessary rules to
33 administer and enforce this article.
34

35 **11-25-203. Distributions to state, counties, cities and**
36 **towns; vendors and establishments.**
37

38 (a) Taxes shall be calculated and paid on a weekly basis
39 based on the net proceeds earned during the prior week on
40 authorized gaming terminals as provided by the terminal data
41 collection and control system.
42

43 (b) On a weekly basis, a vendor shall remit to the commission
44 an amount equivalent to twenty-four percent (24%) of the net
45 proceeds earned during the prior week on the vendor's authorized
46 gaming terminals. The commission shall remit these monies to the
47 state treasurer for distribution to the county and the city or

1 town in which the authorized gaming terminal is located, in equal
2 shares, or to the county alone if the authorized gaming terminal
3 is not located within the boundaries of a city or town.
4

5 (c) On a weekly basis, a vendor shall remit to the commission
6 an amount equivalent to twenty-four percent (24%) of the net
7 proceeds earned during the prior week on the vendor's authorized
8 gaming terminals. The commission shall remit these monies to the
9 state treasurer for distribution to the school foundation program
10 account.
11

12 (d) On a weekly basis, a vendor shall remit to the commission
13 an amount equivalent to two percent (2%) of the net proceeds earned
14 during the prior week on the vendor's authorized gaming terminals.
15 The commission shall deposit these monies in the commission gaming
16 account to be used for operating expenses of the commission.
17

18 (e) Twenty-one percent (21%) of the net proceeds earned
19 during the prior week on an authorized gaming terminal shall be
20 distributed to the establishment. Twenty-nine percent (29%) of net
21 proceeds earned during the prior week on an authorized gaming
22 terminal shall be retained by the vendor.
23

24 **11-25-204. Penalties.**
25

26 Any person who violates any provision of this article is guilty of
27 a misdemeanor and shall be fined not more than ten thousand dollars
28 (\$10,000.00), imprisoned for not more than six (6) months, or both.
29

30 **11-25-205. Authority of cities, towns and counties.**
31

32 A city, town or county by local ordinance or resolution may
33 prohibit any person operating authorized gaming terminals within
34 the local jurisdiction."
35

36 Page 7-line 5 Delete "**Section 2.**" and insert "**Section 3.**".
37

38 Page 7-line 6 After "6-7-101(a)(iii)" insert "(A), "; delete
39 ", (F)(intro)".
40

41 Page 7-line 7 After "(M)" insert "and by creating a new
42 paragraph (xiii)".
43

44 Page 8-line 11 After "duties" insert "or when responding to
45 a request to assist other peace officers
46 acting within the scope of their official
47 duties in their own jurisdiction".

1
2 Page 8-after line 22 Insert:
3
4 "(A) Bona fide contests of skill, speed, strength
5 or endurance in which awards are made only to entrants or the
6 owners of entries. This exception shall not include skill based
7 amusement games";".
8
9 Page 9-lines 14 through 21 Delete entirely.
10
11 Page 10-after line 2 Insert:
12
13 "(xiii) "Skill based amusement game" means a game played
14 in exchange for consideration of cash, credit or other thing of
15 value on a fixed, commercial electrical gaming device in which the
16 bona fide skill of the player, determined by an individual's level
17 of strategy and skill, is a factor in determining the outcome and
18 for which the player may be awarded a prize or other thing of value
19 for a successful outcome.".
20
21 Page 10-line 17 After "duties" insert "or when responding to
22 a request to assist other peace officers
23 acting within the scope of their official
24 duties in their own jurisdiction".
25
26 Page 16-line 17 Delete "or (F)".
27
28 Page 19-line 9 Delete "**Section 3.**" and insert "**Section 4.**".
29
30 Page 20-line 6 Delete "**Section 4.**" and insert "**Section 5.**".
31
32 Page 20-line 11 Delete "**Section 5.**" and insert "**Section 6.**".
33
34 Page 21-line 4 Delete "**Section 6.**" and insert "**Section 7.**".
35 HARSHMAN