

[TO SUBSTITUTE BILL No. 1]

1 Delete the Washut third reading amendment (HB0171H3001/A) entirely
2 and the Harshman third reading amendment (HB0171H3002/A) entirely
3 and further amend as follows:

4
5 Page 1-line 6 Before "as specified" insert "and video gaming
6 terminals"; delete "skill based amusement".

7
8 Page 1-line 8 After "account;" insert "providing for a
9 continuous appropriation;".

10
11 Page 1-line 10 After "as specified;" insert "providing
12 penalties;".

13
14 Page 2-line 5 Delete "June 30, 2021" and insert "September
15 30, 2020".

16
17 Page 4-line 19 Delete "June 30,".

18
19 Page 4-line 20 Delete "2021" and insert "September 30, 2020".

20
21 Page 4-line 22 Delete "June".

22
23 Page 5-line 1 Delete "30, 2021" and insert "September 30,
24 2020".

25
26 Page 5-line 5 Delete "gross income" and insert "net
27 proceeds".

28
29 Page 5-line 8 Delete "gross income" and insert "net
30 proceeds".

31
32 Page 5-after line 13 Insert:

33
34 "(n) Commencing October 1, 2020 a sixty-one (61) day
35 transition period shall occur. Those establishments that apply for
36 an establishment permit under W.S. 11-25-202, as created by this
37 act, may continue to have skill based amusement games in the
38 establishment so long as the skill based amusement games continue
39 to meet the requirements of this section. Those operators that
40 apply for a vendor permit under W.S. 11-25-202 may continue to
41 operate skill based amusement games so long as the skill based
42 amusement games continue to meet the requirements of this section.

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

- 17
18 Page 5-line 15 Delete "(n)" and insert "(o)".
19
20 Page 5-line 16 After "implement" insert ", enforce".
21
22 Page 5-line 18 Delete "(o)" and insert "(p)".
23
24 Page 5-line 21 Delete "(p)" and insert "(q)".
25
26 Page 6-line 7 Delete "Gross income" and insert "Net
27 proceeds".
28
29 Page 6-line 8 Delete entirely and insert "the payment to the
30 player;".
31
32 Page 6-lines 10 through 13 Delete entirely.
33
34 Page 6-line 15 Delete "(v)" and insert "(iv)".
35
36 Page 6-line 18 Delete "(vi)" and insert "(v)".
37
38 Page 7-after line 3 Insert:

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

42
43 ARTICLE 2
44 AUTHORIZED GAMING TERMINALS

45
46 **11-25-201. Definitions.**
47

1 (a) As used in this article:

2
3 (i) "Authorized gaming terminal" means a player
4 activated video gaming terminal that:

5
6 (A) In exchange for consideration of cash, credit
7 or other thing of value allows the player to play a game for which
8 the player has an opportunity to win cash, credit or other thing
9 of value; and

10
11 (B) Is not capable of using a compensating
12 algorithm or random number generator to affect the outcome of the
13 game.

14
15 (ii) "Commission" means the commission created under
16 W.S. 11-25-101;

17
18 (iii) "Establishment" means a single physical place of
19 business;

20
21 (iv) "Net proceeds" means all revenue less the payment
22 to the player;

23
24 (v) "Qualified truck stop facility" means a facility
25 that:

26
27 (A) Is equipped with pumps for fueling commercial
28 motor vehicles;

29
30 (B) Has sold not less than fifty thousand (50,000)
31 gallons of diesel fuel or bio diesel fuel on average for each of
32 the previous twelve (12) months, as determined by the commission;

33
34 (C) Contains not less than twenty (20) parking
35 spaces dedicated for the use of commercial motor vehicles;

36
37 (D) Contains a store that sells food and beverages;
38 and

39
40 (E) Is situated on one (1) developed site three
41 (3) acres or more in size, which is owned or leased by the operator
42 of the facility.

43
44
45 (vi) "Terminal data collection and control system" means
46 a computerized system that:

1 (A) Each authorized gaming terminal is connected to
2 using standard industry protocols;

3
4 (B) Can activate or deactivate an authorized gaming
5 terminal from a remote location; and

6
7 (C) Is capable of monitoring and auditing
8 authorized gaming terminal plays.

9
10 (vii) "Vendor" means a person that possesses and
11 operates authorized gaming terminals for profit.

12
13 **11-25-202. Permits; fees; requirements; rulemaking.**

14
15 (a) The commission shall regulate authorized gaming
16 terminals, establishments with authorized gaming terminals and
17 vendors of authorized gaming terminals. An establishment shall
18 possess a permit issued by the commission to allow the operation
19 of authorized gaming terminals. A vendor shall possess a permit
20 issued by the commission to possess or operate an authorized gaming
21 terminal in Wyoming.

22
23 (b) Commencing December 1, 2020, only commission approved
24 vendors may operate authorized gaming terminals in the state, only
25 commission approved establishments may have authorized gaming
26 terminals in an establishment and only commission approved
27 authorized gaming terminals may be operated in the state. This
28 article shall not apply to pari-mutuel wagering on events that
29 have previously occurred or to gaming activities conducted on the
30 Wind River Indian Reservation.

31
32 (c) A person applying for an initial establishment or vendor
33 permit shall do so on a uniform application furnished by the
34 commission. The applicant shall pay a commission established fee
35 and provide the commission information and permission necessary
36 for a criminal history record background check. The commission
37 shall perform criminal background investigations on all permit
38 applicants as it determines necessary. The commission shall begin
39 accepting establishment and vendor applications on October 1,
40 2020.

41
42 (d) The commission may issue permits to qualified
43 applicants. The commission shall develop a list of objective
44 criteria upon which the qualification of establishments and
45 vendors shall be based.

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

6
7 (f) Permit fees charged pursuant to subsection (e) of this
8 section shall be remitted to the state treasurer for deposit in
9 the commission gaming account. Amounts within the account may be
10 used by the commission for operating expenses incurred in
11 administering this article.

12
13 (g) The commission shall regulate authorized gaming
14 terminals in accordance with the following:

15
16 (i) No authorized gaming terminal shall allow a game
17 play of more than three dollars (\$3.00) per play;

18
19 (ii) No authorized gaming terminal shall allow a payout
20 of more than three thousand dollars (\$3,000.00) per play;

21
22 (iii) Each authorized gaming terminal shall be
23 connected to a terminal data collection and control system approved
24 by the commission. The terminal data collection and control system
25 shall:

26
27 (A) Calculate net proceeds earned by each vendor on
28 an authorized gaming terminal;

29
30 (B) Submit not less than weekly to the commission
31 a report on all activities of the authorized gaming terminal;

32
33 (C) Deauthorize play any time the authorized gaming
34 terminal is not in compliance with all applicable statutes and
35 rules of the commission.

36
37 (iv) An establishment shall have not more than four (4)
38 authorized gaming terminals at any one (1) time;

39
40 (v) An establishment shall not locate an authorized
41 gaming terminal in an area of the establishment into which a person
42 under the age of twenty-one (21) years may enter. An establishment
43 shall conspicuously mark each area of the establishment with an
44 authorized gaming terminal as an "age restricted area";

45
46 (vi) An establishment shall not allow a person under the
47 age of twenty-one (21) years to play an authorized gaming terminal;

1
2 (vii) Each commission approved authorized gaming
3 terminal shall bear a commission issued decal. The decal shall
4 identify the vendor of the authorized gaming terminal. Decals shall
5 not be transferred between authorized gaming terminals. A decal
6 shall be valid for twelve (12) months. The commission shall charge
7 an annual fee of fifty dollars (\$50.00) for a decal. Fees charged
8 pursuant to this paragraph shall be remitted to the state treasurer
9 for deposit in the commission gaming account;

10
11 (viii) An authorized gaming terminal shall only be
12 operable for play when located in:

13
14 (A) An establishment that possesses a valid license
15 issued under W.S. 12-4-201, 12-4-301, 12-4-401, 12-4-407 or
16 12-4-413; or

17
18 (B) A qualified truck stop facility.

19
20 (ix) The commission shall establish a reasonable average
21 payout ratio to minimize problem gambling.

22
23 (h) The commission shall promulgate any necessary rules to
24 administer and enforce this article.

25
26 **11-25-203. Distributions to state, counties, cities and**
27 **towns; vendors and establishments.**

28
29 (a) Taxes shall be calculated and paid on a weekly basis
30 based on the net proceeds earned during the prior week on
31 authorized gaming terminals as provided by the terminal data
32 collection and control system.

33
34 (b) On a weekly basis, a vendor shall remit to the commission
35 an amount equivalent to fourteen percent (14%) of the net proceeds
36 earned during the prior week on the vendor's authorized gaming
37 terminals. The commission shall remit these monies to the state
38 treasurer for distribution to the county and the city or town in
39 which the authorized gaming terminal is located, in equal shares,
40 or to the county alone if the authorized gaming terminal is not
41 located within the boundaries of a city or town.

42
43 (c) On a weekly basis, a vendor shall remit to the commission
44 an amount equivalent to fourteen percent (14%) of the net proceeds
45 earned during the prior week on the vendor's authorized gaming
46 terminals. The commission shall remit these monies to the state

1 treasurer for distribution to the school foundation program
2 account.

3
4 (d) On a weekly basis, a vendor shall remit to the commission
5 an amount equivalent to two percent (2%) of the net proceeds earned
6 during the prior week on the vendor's authorized gaming terminals.
7 The commission shall deposit these monies in the commission gaming
8 account to be used for operating expenses of the commission.

9
10 (e) Thirty-one percent (31%) of the net proceeds earned
11 during the prior week on an authorized gaming terminal shall be
12 distributed to the establishment. Thirty-nine percent (39%) of net
13 proceeds earned during the prior week on an authorized gaming
14 terminal shall be retained by the vendor.

15
16 **11-25-204. Penalties.**

17
18 Any person who violates any provision of this article is guilty of
19 a misdemeanor and shall be fined not more than ten thousand dollars
20 (\$10,000.00), imprisoned for not more than six (6) months, or both.

21
22 **11-25-205. Authority of cities, towns and counties.**

23
24 Commencing December 1, 2020, no person shall operate an authorized
25 gaming terminal in a city, town or county unless the city, town or
26 county has authorized by local ordinance or resolution the
27 operation of authorized gaming terminals within the local
28 jurisdiction."

29
30 Page 7-line 5 Delete "**Section 2.**" and insert "**Section 3.**".

31
32 Page 7-line 6 After "6-7-101(a)(iii)" insert "(A),".

33
34 Page 7-line 7 After "(M)" insert "and by creating a new
35 paragraph (xiii)".

36
37 Page 8-line 11 After "duties" insert "or when responding to
38 a request to assist other peace officers
39 acting within the scope of their official
40 duties in their own jurisdiction".

41
42 Page 8-after line 22 Insert:

43
44 "(A) Bona fide contests of skill, speed, strength
45 or endurance in which awards are made only to entrants or the
46 owners of entries. This exception shall not include skill based
47 amusement games;"

1
2 Page 10-after line 2 Insert:
3
4 "(xiii) "Skill based amusement game" means a game played
5 in exchange for consideration of cash, credit or other thing of
6 value on a fixed, commercial electrical gaming device in which the
7 bona fide skill of the player, determined by an individual's level
8 of strategy and skill, is a factor in determining the outcome and
9 for which the player may be awarded a prize or other thing of value
10 for a successful outcome.".
11
12 Page 10-line 17 After "duties" insert "or when responding to
13 a request to assist other peace officers
14 acting within the scope of their official
15 duties in their own jurisdiction".
16
17 Page 19-line 9 Delete "**Section 3.**" and insert "**Section 4.**".
18
19 Page 20-line 6 Delete "**Section 4.**" and insert "**Section 5.**".
20
21 Page 20-line 11 Delete "**Section 5.**" and insert "**Section 6.**".
22
23 Page 21-line 4 Delete "**Section 6.**" and insert "**Section 7.**".
24 FLITNER