

HOUSE BILL NO. HB0225

Gaming governance.

Sponsored by: Representative(s) Walters and Senator(s) Driskill

A BILL

for

1 AN ACT relating to gaming; authorizing online sports  
2 wagering; providing for regulation; requiring rulemaking;  
3 providing for the collection of revenues; creating  
4 penalties; and providing for effective dates.

5

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

7

8 **Section 1.** W.S. 9-23-101 through 9-23-106 are created  
9 to read:

10

11

CHAPTER 23

12

SPORTS WAGERING

13

14

**9-23-101. Definitions.**

15

1           (a) As used in this chapter:

2

3           (i) "Department" means the department of  
4 revenue;

5

6           (ii) "Online sports wagering" means engaging in  
7 sports wagering conducted by sports wagering vendors  
8 through sports wagering accounts over the internet by use  
9 of computers, digital platforms or mobile applications on  
10 mobile devices;

11

12           (iii) "Online sports wagering revenue" means the  
13 total of all wagers placed by players with an online sports  
14 wagering vendor, excluding free wagers and promotional  
15 play, minus all payments to players minus any applicable  
16 federal excise taxes. Payments to players include all  
17 payments of cash, cash equivalents, merchandise or any  
18 other thing of value;

19

20           (iv) "Prohibited sports wager" means:

21

22           (A) A proposition wager determined by the  
23 performance statistics of an individual athlete

1 participating in a collegiate sports contest or collegiate  
2 athletic event that takes place in Wyoming or a sports  
3 contest or athletic event in which any Wyoming college or  
4 university team participates regardless where the event  
5 takes place;

6

7 (B) A wager involving any sporting event or  
8 other event where the majority of participants are under  
9 the age of eighteen (18) years;

10

11 (C) Any wagering category not authorized by  
12 the department.

13

14 (v) "Qualified gaming entity" means a gaming  
15 entity that offers online sports wagering through  
16 computers, digital platforms or mobile applications in any  
17 jurisdiction in the United States pursuant to a state  
18 regulatory structure;

19

20 (vi) "Sporting event" means any professional  
21 sport or athletic event, any Olympic or international  
22 sports competition event or any collegiate sport or  
23 athletic event, or any portion thereof, including the

1 individual performance statistics of athletes in a sports  
2 event or combination of sports events, or any other event  
3 approved by the department;

4

5 (vii) "Sports wagering" means the business of  
6 accepting wagers on sporting events or portions of sporting  
7 events, other events, the individual performance statistics  
8 of athletes in a sporting event or other events, or a  
9 combination of any of the same by any system or method of  
10 wagering approved by the department including mobile  
11 applications and other digital platforms that utilize  
12 communications technology to accept sports wagers. The term  
13 includes single game bets, teaser bets, parlays, over  
14 under, moneyline, pools, exchange wagering, in-game  
15 wagering, in-play bets, proposition bets and straight bets.  
16 The term shall not include any of the following:

17

18 (A) Activities authorized under W.S.  
19 6-7-101 through 6-7-104, except to the extent that online  
20 sports wagering is exempted from criminal penalties under  
21 those sections;

22

1                   (B) Activities authorized or regulated by  
2 the pari-mutuel commission;

3

4                   (C) Lotteries authorized by law;

5

6                   (D) Fantasy sports contests, which are  
7 simulated games or contests with an entry fee that meet all  
8 of the following conditions:

9

10                   (I) No fantasy contest team is  
11 composed of the entire roster of a real world sports team;

12

13                   (II) No fantasy contest team is  
14 composed entirely of individual athletes who are members of  
15 the same real world sports team;

16

17                   (III) Each prize and award or the  
18 value of all prizes and awards offered to winning fantasy  
19 contest players is made known to the fantasy contest  
20 players in advance of the fantasy contest;

21

22                   (IV) Each winning outcome reflects the  
23 relative knowledge and skill of the fantasy contest players

1 and is determined by the aggregated statistical results of  
2 the performance of multiple individual athletes selected by  
3 the fantasy contest player to form the fantasy contest  
4 team, whose individual performance in the fantasy contest  
5 directly correspond with the actual performance of those  
6 athletes in the athletic event in which those individual  
7 athletes participated;

8

9 (V) A winning outcome is not based on  
10 randomized historical events, or on the score, point  
11 spread, or performance in an athletic event of a single  
12 real world sports team, a single athlete or any combination  
13 of real world sports teams;

14

15 (VI) The fantasy contest does not  
16 constitute or involve and is not based on a slot machine or  
17 other mechanical, electromechanical or electric device,  
18 equipment or machine, including computers and other  
19 cashless wagering systems.

20

21 (viii) "Sports wagering account" means a  
22 financial record established by a sports wagering vendor  
23 for an individual patron in which the patron may deposit

1 and withdraw funds for sports wagering and other authorized  
2 purchases, and to which the sports wagering vendor may  
3 credit winnings or other amounts due to that patron or  
4 authorized by that patron. Such account can be established  
5 electronically through an approved mobile application or  
6 digital platform;

7

8 (ix) "Sports wagering vendor" means any  
9 qualified gaming entity authorized by the department to  
10 accept online sports wagers.

11

12 **9-23-102. Online sports wagering regulation.**

13

14 (a) The department shall regulate online sports  
15 wagering and sports wagering vendors. The department shall  
16 promulgate appropriate rules to implement this chapter. The  
17 rules shall establish standards and procedures for online  
18 sports wagering and associated systems. The department  
19 shall examine the regulations implemented in other states  
20 where online sports wagering is conducted and shall, to the  
21 extent practicable, adopt a similar regulatory framework in  
22 order to maximize revenue generated to the state. The rules  
23 shall include:

1

2 (i) Governance of the conduct of online sports  
3 wagering and the system of wagering associated with online  
4 sports wagering, including:

5

6 (A) The sporting events upon which online  
7 sports wagers may be accepted and methods of play;

8

9 (B) The manner in which online sports  
10 wagers are received and payoffs are remitted;

11

12 (C) Procedures for handling suspected  
13 cheating, sports wagering irregularities and complaints;

14

15 (D) Terms and conditions for online sports  
16 wagering, including a requirement that a player making a  
17 wager be physically present in the state to make the wager;

18

19 (E) A requirement for each sports wagering  
20 vendor to use a geolocation system to ensure that a player  
21 making an online sports wager is physically present in the  
22 state when making the wager;

23



1                   (F) Internal controls for all aspects of  
2 online sports wagering, including procedures for system  
3 integrity, system security, operations and accounting;

4  
5                   (G) Operational controls for online gaming  
6 accounts; and

7  
8                   (H) Procedures to ensure that sports  
9 wagering vendors do not offer prohibited sports wagers.

10  
11                   (ii) Establishing the method for calculating  
12 online sports wagering revenue and standards for the  
13 counting and recording of cash and cash equivalents  
14 received in the conduct of online sports wagering and  
15 ensuring that internal controls are followed, financial  
16 records are maintained and audits are conducted;

17  
18                   (iii) Reasonable minimum qualifications for  
19 sports wagering vendors; and

20  
21                   (iv) Any other matters necessary for overseeing  
22 online sports wagering and sports wagering vendors.

23

1           **9-23-103. Permits; fees.**

2

3           (a) The department shall regulate sports wagering  
4 vendors. A vendor shall possess a permit issued by the  
5 department to accept online sports wagers. No person shall  
6 accept online sports wagers without holding a valid permit  
7 issued by the department.

8

9           (b) A qualified gaming entity applying for a sports  
10 wagering vendor permit shall do so on a uniform application  
11 furnished by the department. The applicant shall provide  
12 the department fingerprints and other information and  
13 permission as requested by the department necessary for a  
14 criminal history record background check. The cost of the  
15 criminal history record background check shall be paid  
16 using a portion of the applicant's permit fee charged  
17 pursuant to subsection (c) of this section.

18

19           (c) The department shall charge a fee of twenty  
20 thousand dollars (\$20,000.00) for an initial sports  
21 wagering vendor permit. A permit shall be valid for one (1)  
22 year. The department shall charge a fee of ten thousand

1 dollars (\$10,000.00) for a sports wagering vendor permit  
2 renewal.

3

4 (d) Vendor permit fees charged pursuant to subsection  
5 (c) of this section shall be deposited in the sports  
6 wagering account, which is hereby created. Subject to  
7 legislative appropriation, amounts within the account may  
8 be used by the department for all expenses incurred in  
9 administering this chapter.

10

11 (e) An application submitted to the department shall,  
12 at a minimum, include the following:

13

14 (i) The full name, current address and contact  
15 information of the applicant;

16

17 (ii) Disclosure of each person that has control  
18 of the applicant as described in subsection (f) of this  
19 section;

20

21 (iii) Consent to permit the department to  
22 conduct a criminal history record check in accordance with  
23 subsection (b) of this section of the applicant and each

1 person disclosed under paragraph (ii) of this subsection in  
2 accordance with procedures established by the department;

3

4 (iv) For the applicant and each person disclosed  
5 under paragraph (ii) of this subsection, a record of  
6 previous issuances and denials of or any adverse action  
7 taken against a gambling related license or application  
8 under this chapter or in any other jurisdiction. For  
9 purposes of this paragraph, "adverse action" includes a  
10 condition resulting from an administrative, civil or  
11 criminal violation, a suspension or revocation of a license  
12 or a voluntary surrender of a license to avoid or resolve a  
13 civil, criminal or disciplinary action; and

14

15 (v) Any additional information required by the  
16 director by rule.

17

18 (f) The following persons are considered to have  
19 control of an applicant or a permit holder:

20

21 (i) Each corporate holding company, parent  
22 company or subsidiary company of a corporate applicant or  
23 permit holder and each person that owns ten percent (10%)

1 or more of the corporate applicant or licensee and that has  
2 the ability to control the activities of the corporate  
3 applicant or permit holder or elect a majority of the board  
4 of directors of that corporate applicant or permit holder,  
5 except for a bank or other licensed lending institution  
6 that holds a mortgage or other lien acquired in the  
7 ordinary course of business;

8

9 (ii) Each person associated with a noncorporate  
10 applicant or permit holder that directly or indirectly  
11 holds a beneficial or proprietary interest in the  
12 noncorporate applicant's or permit holder's business  
13 operation or that the department otherwise determines has  
14 the ability to control the noncorporate applicant or permit  
15 holder; and

16

17 (iii) Key personnel of an applicant or permit  
18 holder, including any executive, employee or agent, having  
19 the power to exercise significant influence over decisions  
20 concerning any part of the applicant's or permit holder's  
21 relevant business operation.

22

1           (g) The department may issue a temporary permit for  
2 the conduct of sports wagering and further, the department  
3 may, in lieu of conducting its own suitability review,  
4 issue a permit to a sports wagering vendor that is  
5 currently operating pursuant to a regulatory framework in a  
6 United States jurisdiction that the department deems  
7 comparable to that of the state of Wyoming.

8

9           **9-23-104. Distribution of revenue.**

10

11 Not later than the fifth day of each month, in accordance  
12 with appropriate department rules, a sports wagering vendor  
13 shall remit sixteen percent (16%) of online sports wagering  
14 revenue from the prior month to the department. Monies  
15 remitted to the department shall be deposited in the  
16 general fund. The sports wagering vendor shall be permitted  
17 to carry over negative sports wagering revenues and apply  
18 such amounts to returns filed for subsequent months.

19

20           **9-23-105. Age to engage in sports wagering.**

21

1 No sports wagering vendor shall allow a person under the  
2 age of eighteen (18) years to engage in online sports  
3 wagering.

4

5 **9-23-106. Penalties.**

6

7 (a) A person who knowingly accepts online sports  
8 wagers or otherwise operates a business of sports wagering  
9 who does not possess a valid permit issued by the  
10 department under this chapter shall be subject to the  
11 following, in addition to any penalty imposed under W.S.  
12 6-7-102:

13

14 (i) For a first offense, a civil penalty of five  
15 thousand dollars (\$5,000.00);

16

17 (ii) For a second or subsequent offense, a civil  
18 penalty of ten thousand dollars (\$10,000.00).

19

20 (b) For purposes of W.S. 9-23-106, a series of  
21 similar events that result in violation of this chapter  
22 shall be treated as one (1) offense and not separate and  
23 distinct violations.

1

2           **Section 2.** W.S. 6-7-101(a)(iii) by creating a new  
3 subparagraph (M), 7-19-106(a) by creating a new paragraph  
4 (xxxii) and 7-19-201(a) by creating a new paragraph  
5 (xxviii) are amended to read:

6

7           **6-7-101. Definitions.**

8

9           (a) As used in this article:

10

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

17

18                               (M) Online sports wagering authorized under  
19 W.S. 9-23-101 through 9-23-106.

20

21           **7-19-106. Access to, and dissemination of,**  
22 **information.**

23



1 (a) Criminal history record information shall be  
2 disseminated by criminal justice agencies in this state,  
3 whether directly or through any intermediary, only to:

4  
5 (xxxii) The department of revenue for purposes  
6 of permitting sports wagering vendors.

7  
8 **7-19-201. State or national criminal history record**  
9 **information.**

10  
11 (a) The following persons shall be required to submit  
12 to fingerprinting in order to obtain state and national  
13 criminal history record information:

14  
15 (xxviii) Applicants for a vendor permit under  
16 W.S. 9-23-103.

17  
18 **Section 3.** The department of revenue shall promulgate  
19 rules required by this act not later than January 1, 2021.

20  
21 **Section 4.**

22

1           (a) Except as provided in subsection (b) of this  
2 section, this act is effective January 1, 2021.

3

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

8

9

(END)