

## HOUSE BILL NO. HB0133

Online sports wagering.

Sponsored by: Representative(s) Walters, Brown, Burkhart,  
Harshman, Henderson and Zwonitzer and  
Senator(s) Gierau and Wasserburger

A BILL

for

1 AN ACT relating to online sports wagering; authorizing  
2 online sports wagering; providing for regulation by the  
3 Wyoming gaming commission; imposing fees; requiring  
4 rulemaking; creating an account; providing for the  
5 collection and distribution of revenues from online sports  
6 wagering to the state; providing for a continuous  
7 appropriation; creating penalties; specifying that fantasy  
8 sports contests are not gambling; and providing for  
9 effective dates.

10

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

12

13 **Section 1.** W.S. 9-24-101 through 9-24-106 is created  
14 to read:

15

1

CHAPTER 24

2

GAMING COMMISSION REGULATED ACTIVITIES

3

4

ARTICLE 1

5

ONLINE SPORTS WAGERING

6

7

**9-24-101. Definitions.**

8

9

(a) As used in this chapter:

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23

(i) "Cash equivalent" means an asset that is convertible to cash and approved for use in connection with online sports wagering. Approved cash equivalents include:

(A) Travelers checks;

(B) Foreign currency and coin;

(C) Certified checks, cashier's checks and money orders;

(D) Personal checks and drafts;

1 (E) Digital, crypto and virtual currencies;

2

3 (F) Online and mobile payment systems that  
4 support online money transfers;

5

6 (G) Credit cards and debit cards;

7

8 (H) Prepaid access instruments;

9

10 (J) Any other form of asset that is  
11 convertible to cash approved by commission rules.

12

13 (ii) "Commission" means the Wyoming gaming  
14 commission;

15

16 (iii) "Director" means the executive director of  
17 the commission;

18

19 (iv) "Fantasy sports contest" means a simulated  
20 game or contest with an entry fee that meets all of the  
21 following conditions:

22

1                   (A) No fantasy sports contest team is  
2 composed entirely of individual contestants who are members  
3 of the same real world sports team;

4

5                   (B) Each prize and award or the value of  
6 all prizes and awards offered to winning fantasy sports  
7 contest players is made known to the fantasy sports contest  
8 players in advance of the fantasy sports contest;

9

10                  (C) Each winning outcome reflects the  
11 relative knowledge and skill of the fantasy sports contest  
12 players and is determined by the aggregated statistical  
13 results of the performance of multiple individual  
14 contestants who each fantasy sports contest player has  
15 selected to form that player's fantasy sports contest team.  
16 The individual performances of the individual contestants  
17 in the fantasy sports contest directly correspond with the  
18 actual performances of those contestants in a real world  
19 sporting event in which those individuals participated;

20

21                  (D) A winning outcome is not based on the  
22 performance of a single real world sports team, any  
23 combination of real world sports teams or a single

1 contestant in a real world sporting event, nor is it based  
2 on the score or point spread of one (1) or more real world  
3 sporting events;

4

5 (E) The fantasy sports contest does not  
6 constitute or involve a slot machine or a fixed, commercial  
7 electrical gaming device.

8

9 (v) "Fantasy sports contest player" means a  
10 person who engages in selecting individual contestants to  
11 comprise a team for a fantasy sports contest;

12

13 (vi) "Online sports wagering" means engaging in  
14 sports wagering conducted by a sports wagering operator  
15 through a sports wagering account over the internet by use  
16 of a computer, digital platform or mobile application on a  
17 mobile device, any of which uses communications technology  
18 to accept sports wagers or any system or method of  
19 electronic sports wagering approved by commission rules.

20 "Online sports wagering" shall not include or be conducted  
21 from any physical location created by a sports wagering  
22 operator or vendor for a patron to physically visit to  
23 place a wager;

1

2           (vii) "Online sports wagering revenue" means the  
3 total of all wagers placed by patrons with an online sports  
4 wagering operator, excluding free wagers and promotional  
5 play, minus all payments to patrons and minus any  
6 applicable federal excise taxes. Payments to patrons  
7 include all payments of cash, cash equivalents, merchandise  
8 and any other thing of value;

9

10           (viii) "Patron" means a person who places an  
11 online sports wagering wager;

12

13           (ix) "Prohibited sports wager" means:

14

15           (A) A wager involving any sporting event or  
16 other event where the majority of contestants or athletes  
17 in the sporting event are under the age of eighteen (18)  
18 years;

19

20           (B) Any wagering category not authorized by  
21 law or commission rules adopted in compliance with law.

22

1           (x) "Qualified gaming entity" means a gaming  
2 entity that offers online sports wagering through  
3 computers, digital platforms or mobile applications in not  
4 less than three (3) jurisdictions in the United States  
5 pursuant to a state regulatory structure;

6  
7           (xi) "Sporting event" means any professional  
8 sports event or athletic event, any Olympic or  
9 international sports event or athletic event, any amateur  
10 sports event or athletic event, any collegiate sports event  
11 or athletic event, electronic sports, or any portion  
12 thereof, including the individual performance statistics of  
13 contestants or athletes in sports events, athletic events  
14 or a combination of sports and athletic events, or any  
15 other event approved by commission rules;

16  
17           (xii) "Sports wagering" means the business of  
18 accepting wagers from patrons on sporting events through  
19 online sports wagering. "Sports wagering" wagers include  
20 single game bets, teaser bets, parlays, over-under,  
21 moneyline, pools, exchange wagering, in-game wagering,  
22 in-play bets, proposition bets and straight bets. "Sports  
23 wagering" shall not include any of the following:

1

2 (A) Activities other than online sports  
3 wagering that are exempted from criminal penalties under  
4 W.S. 6-7-101 through 6-7-104;

5

6 (B) Activities outside of this chapter  
7 authorized or regulated by the commission;

8

9 (C) Lotteries authorized by law;

10

11 (D) Fantasy sports contests;

12

13 (E) Prohibited sports wagers.

14

15 (xiii) "Sports wagering account" means a  
16 financial record established by a sports wagering operator  
17 for an individual patron into which the patron may deposit  
18 and from which the patron may withdraw funds for sports  
19 wagering and other purchases, and into which the sports  
20 wagering operator may credit winnings or other amounts due  
21 to that patron or authorized by that patron. In compliance  
22 with any other applicable law, a sports wagering account



1 may be established electronically through an approved  
2 mobile application or digital platform;

3

4 (xiv) "Sports wagering operator" means any  
5 qualified gaming entity authorized by the commission to  
6 accept online sports wagers;

7

8 (xv) "Sports wagering vendor" means a vendor  
9 that provides services to a sports wagering operator that  
10 the sports wagering operator uses to accept online sports  
11 wagers, including geolocation services, know your customer  
12 services, payment processors and data providers.

13

14 **9-24-102. Online sports wagering regulation;**  
15 **rulemaking.**

16

17 (a) The commission shall regulate online sports  
18 wagering and sports wagering operators and vendors.

19

20 (b) The commission shall promulgate rules to  
21 implement this chapter. The rules the commission  
22 promulgates shall establish standards and procedures for

1 online sports wagering and associated sports wagering  
2 systems. The rules shall include:

3

4 (i) Governance of the conduct of online sports  
5 wagering and the system of wagering associated with online  
6 sports wagering, including all of the following:

7

8 (A) Terms and conditions for online sports  
9 wagering that are compliant with all applicable federal  
10 laws;

11

12 (B) Identification of the sporting events  
13 upon which online sports wagers may be accepted and methods  
14 of play;

15

16 (C) The manner in which online sports  
17 wagers are received and payoffs are remitted;

18

19 (D) Procedures for managing and resolving  
20 suspected cheating, sports wagering irregularities and  
21 complaints;

22

1                   (E) A requirement that for a patron to make  
2 a lawful wager the patron must be physically present in the  
3 state when making the wager unless otherwise authorized by  
4 the commission;

5

6                   (F) A requirement for each sports wagering  
7 operator to use a geolocation system to ensure that a  
8 patron making an online sports wager is physically present  
9 in the state when making the wager unless otherwise  
10 authorized by the commission;

11

12                   (G) Internal controls for all aspects of  
13 online sports wagering, including procedures for system  
14 integrity, system security, operations and accounting;

15

16                   (H) Operational controls for online gaming  
17 accounts;

18

19                   (J) Procedures to ensure that sports  
20 wagering operators do not offer prohibited sports wagers.

21

22                   (ii) Establishing the method for calculating  
23 online sports wagering revenue and standards for the

1 counting and recording of cash and cash equivalents  
2 received in the conduct of online sports wagering, to  
3 include methods for ensuring that internal controls are  
4 followed, financial records are maintained and audits are  
5 conducted;

6

7 (iii) Reasonable minimum qualifications for  
8 sports wagering operators;

9

10 (iv) Any other matters necessary for overseeing  
11 online sports wagering and sports wagering operators and  
12 vendors.

13

14 (c) In promulgating rules pursuant to this section,  
15 the commission shall examine the regulations implemented in  
16 other states where online sports wagering is conducted and  
17 shall, as far as practicable, adopt a similar regulatory  
18 framework to maximize revenue generated for the state.

19

20 **9-24-103. Permits; fees; application.**

21

22 (a) A sports wagering operator shall possess a permit  
23 issued by the commission to accept online sports wagers. No

1 person shall accept online sports wagers without holding a  
2 valid permit issued by the commission.

3

4 (b) A qualified gaming entity applying for a sports  
5 wagering operator permit shall do so on a uniform  
6 application furnished by the commission. The fee for both  
7 an initial application and renewal application shall be two  
8 thousand five hundred dollars (\$2,500.00). The application  
9 shall require an applicant, at a minimum, to provide:

10

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

13

14 (ii) Disclosure of each person who has control  
15 of the applicant as described in subsection (g) of this  
16 section;

17

18 (iii) The applicant's fingerprints and the  
19 fingerprints of individuals identified in subsection (g) of  
20 this section considered to have control of an applicant or  
21 permit holder;

22

1           (iv) Consent to permit the commission to conduct  
2 a criminal history record check of the applicant and each  
3 individual disclosed under subsection (g) of this section  
4 in accordance with procedures established by the  
5 commission. This subsection shall not require an applicant  
6 or individual who has submitted to a criminal background  
7 check in this or any other state within the twelve (12)  
8 months before submitting the application to resubmit to  
9 another criminal background check provided that the  
10 applicant or individual submits the results of the previous  
11 criminal background check and affirms that there has been  
12 no material change in the criminal history since the time  
13 of the criminal background check. The cost of the criminal  
14 history record background check shall be paid using a  
15 portion of the applicant's application fee;

16

17           (v) Other information and permissions as  
18 requested by the commission;

19

20           (vi) For the applicant and each person disclosed  
21 under subsection (g) of this section, a record of previous  
22 issuances and denials of any gambling related license or

1 application under Wyoming statutes or in any other  
2 jurisdiction in the United States;

3

4 (vii) Any additional information required by  
5 commission rules.

6

7 (c) The commission shall charge a permit fee of one  
8 hundred thousand dollars (\$100,000.00) for an initial  
9 sports wagering operator permit. An initial permit and any  
10 renewal permit shall each be valid for five (5) years. The  
11 commission shall charge a fee of fifty thousand dollars  
12 (\$50,000.00) for a sports wagering operator permit renewal.

13

14 (d) A sports wagering vendor shall possess a permit  
15 issued by the commission to conduct business in the state.  
16 No person shall provide vendor services to a sports  
17 wagering operator without holding a valid permit issued by  
18 the commission.

19

20 (e) The commission shall charge a fee of ten thousand  
21 dollars (\$10,000.00) for an initial sports wagering vendor  
22 permit. An initial permit and any renewal permit shall each  
23 be valid for five (5) years. The commission shall charge a

1 fee of five thousand dollars (\$5,000.00) for a sports  
2 wagering vendor permit renewal.

3

4 (f) Sports wagering operator and sports wagering  
5 vendor permit fees charged pursuant to subsections (c) and  
6 (e) of this section shall be deposited in the sports  
7 wagering account, which is hereby created. Subject to  
8 legislative appropriation, amounts within the account may  
9 be used by the commission for all expenses incurred in  
10 administering this chapter. On a quarterly basis, the  
11 commission shall transfer amounts within the account in  
12 excess of five hundred thousand dollars (\$500,000.00) to  
13 the state treasurer for credit to the general fund.

14

15 (g) The following persons are considered to have  
16 control of a sports wagering operator permit applicant or  
17 permit holder:

18

19 (i) Each holding company, parent company or  
20 subsidiary company of the applicant or permit holder;

21

22 (ii) Each person, except for a bank or other  
23 licensed lending institution that holds a mortgage or other



1   lien acquired in the ordinary course of business, who owns  
2   fifteen percent (15%) or more of a corporate applicant or  
3   permit holder and has the ability to:

4

5                   (A) Control the activities of the corporate  
6   applicant or permit holder; or

7

8                   (B) Elect a majority of the board of  
9   directors of that corporate applicant or permit holder.

10

11                   (iii) Each person associated with a noncorporate  
12   applicant or permit holder who directly or indirectly holds  
13   a beneficial or proprietary interest in the noncorporate  
14   applicant's or permit holder's business operations or who  
15   the commission otherwise determines has the ability to  
16   control the noncorporate applicant or permit holder;

17

18                   (iv) Key personnel of an applicant or permit  
19   holder, including any executive, employee or agent having  
20   the power to exercise ultimate decision making authority  
21   over the applicant's or permit holder's sports wagering  
22   operations in this state.

23

1           (h) The commission shall not issue a sports wagering  
2 operator permit to a qualified gaming entity if:

3

4           (i) The applicant or permit holder has knowingly  
5 made a false statement of material fact to the commission;

6

7           (ii) The applicant or permit holder has  
8 intentionally not disclosed the existence or identity of  
9 other persons who have control of the applicant or permit  
10 holder as required by this section;

11

12           (iii) The applicant or permit holder has had a  
13 permit revoked by any government authority responsible for  
14 the regulation of sports wagering;

15

16           (iv) The applicant or permit holder or a person  
17 who has control of an applicant or permit holder has been  
18 convicted of a crime of moral turpitude, a gambling related  
19 offense, a theft or fraud offense, or has otherwise  
20 demonstrated, either by a police record or other evidence  
21 satisfactory to the commission, a lack of respect for law  
22 and order;

23

1           (v) The applicant or permit holder has not  
2 demonstrated to the satisfaction of the commission  
3 financial responsibility sufficient to adequately meet the  
4 requirements of this chapter; or

5

6           (vi) The applicant or permit holder has not met  
7 the requirements of this section, any other provision of  
8 this chapter, commission rules or any applicable federal  
9 laws.

10

11           (j) Given a sufficient number of applicants, at any  
12 one (1) time the commission shall issue not less than five  
13 (5) sports wagering operator permits to applicants that  
14 satisfy the requirements under this chapter. If an  
15 insufficient number of applicants apply for a sports  
16 wagering operator permit, this provision shall not be  
17 interpreted to direct the commission to issue a permit to  
18 an unqualified applicant.

19

20           (k) The commission may issue a temporary sports  
21 wagering operator permit for the conduct of sports wagering  
22 as specified by rule and may, in lieu of confirming that a  
23 sports wagering operator permit applicant qualifies under

1 this chapter, issue a permit to a sports wagering operator  
2 that has paid all required fees under subsection (c) of  
3 this section and that is currently operating in good  
4 standing under a regulatory framework in a United States  
5 jurisdiction that the commission deems comparable to that  
6 of the state of Wyoming.

7

8 (m) The commission shall issue a permit to a sports  
9 wagering vendor that is currently operating in good  
10 standing in a similar role in at least three (3)  
11 jurisdictions in the United States under a state regulatory  
12 structure and that has paid all required fees under  
13 subsection (e) of this section.

14

15 **9-24-104. Distribution of revenue.**

16

17 Not later than the fifteenth day of each month, in  
18 accordance with commission rules, a sports wagering  
19 operator shall remit ten percent (10%) of online sports  
20 wagering revenue from the prior month to the commission.  
21 Each fiscal year, the first three hundred thousand dollars  
22 (\$300,000.00) of revenue generated under this section is  
23 continuously appropriated to the department of health to be

1 distributed to the counties for the purpose of funding  
2 county health programs to prevent and treat problematic  
3 gambling behavior and the remainder of monies remitted to  
4 the commission shall be deposited by the state treasurer  
5 into the general fund.

6

7 **9-24-105. Age to engage in online sports wagering.**

8

9 No person under the age of eighteen (18) years shall engage  
10 in online sports wagering.

11

12 **9-24-106. Penalties.**

13

14 (a) Any person who knowingly accepts online sports  
15 wagers or otherwise operates a business of sports wagering  
16 and does not possess a valid permit issued by the  
17 commission under this chapter shall be subject to the  
18 following, in addition to any penalty imposed under W.S.  
19 6-7-102:

20

21 (i) For a first offense, a civil penalty of  
22 twenty-five thousand dollars (\$25,000.00);

23

1           (ii) For a second or subsequent offense, a civil  
2 penalty of fifty thousand dollars (\$50,000.00).

3

4           (b) When a series of similar events result in a  
5 violation under this chapter or commission rules, those  
6 events that occur within the same month shall be treated as  
7 one offense and not separate and distinct offenses.

8

9           **Section 2.** W.S. 6-7-101(a)(iii) by creating new  
10 subparagraphs (N) and (O) and 11-25-104(d) and (o) are  
11 amended to read:

12

13           **6-7-101. Definitions.**

14

15           (a) As used in this article:

16

17           (iii) "Gambling" means risking any property for  
18 gain contingent in whole or in part upon lot, chance, the  
19 operation of a gambling device or the happening or outcome  
20 of an event, including a sporting event, over which the  
21 person taking a risk has no control, but does not include  
22 any of the following:

23

1                   (N) Online sports wagering regulated under  
2 W.S. 9-24-101 through 9-24-106;

3

4                   (O) Fantasy sports contests as defined in  
5 W.S. 9-24-101(a)(iv).

6

7           11-25-104. Gaming commission; officers; director;  
8 meetings; quorum; records; licenses generally; effect of  
9 financial interest in events.

10

11           (d) Any member of the commission who owns or has any  
12 interest, or whose spouse or member of his immediate family  
13 has any interest, in any activity regulated by the  
14 commission or in an animal participating in a pari-mutuel  
15 event shall disclose that interest and shall not  
16 participate in any commission decision involving a protest  
17 regarding that activity or occurring at that pari-mutuel  
18 event.

19

20           (o) In addition to all other duties, the commission,  
21 in the reasonable exercise of its discretion, shall:

22

23                   (i) Enforce W.S. 6-7-101 through 6-7-104;

1

2 (ii) Regulate online sports wagering and sports  
3 wagering operators and vendors under W.S. 9-24-101 through  
4 9-24-106.

5

6 **Section 3.** Not later than July 1, 2021, the  
7 commission shall promulgate rules required by this act.

8

9 **Section 4.**

10

11 (a) Except as provided in subsection (b) of this  
12 section, this act is effective July 1, 2021.

13

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

18

19 (END)