



gaming to premises licensed to sell alcoholic liquor and malt beverages; imposing machine specifications and requiring inspection of and identification stamps on machines; establishing and mandating enrollment in the state communications and control system connecting licensed machines by a central computer; imposing license fees; providing for resolution of disputes between machine owners and players; imposing a gross receipts tax upon machines; prohibiting local governments from imposing taxes; providing for tax administration and collection by the state gaming authority; imposing bonding requirements; specifying distribution of tax collections; imposing penalties; establishing possession of professional gambling devices as a felony; providing for an appropriation; imposing rulemaking and public notice duties prior to licensure; and providing for effective dates.

# 91360 *Blairmont called for Ayes* Date 1/31/91  
*Accepted*

**HOUSE ROLL CALL**  
**FIFTY-FIRST WYOMING LEGISLATURE**

| Ayes | Noes | Excused | Absent |               | Ayes | Noes | Excused | Absent |             |
|------|------|---------|--------|---------------|------|------|---------|--------|-------------|
| ✓    |      |         |        | ALDEN         |      | ✓    |         |        | MICHELI     |
|      | ✓    |         |        | ANDERSON      |      | ✓    |         |        | MILLER      |
| ✓    |      |         | ✓      | ARNOLD        | ✓    |      |         |        | O'TOOLE     |
| ✓    |      |         |        | BEBOUT        |      | ✓    |         |        | PERKINS, D. |
|      | ✓    |         |        | BENSEL        | ✓    |      |         |        | PERKINS, J. |
| ✓    |      |         |        | BLACKWELL     | ✓    |      |         |        | PHELAN      |
|      | ✓    |         |        | BODINE        | ✓    |      |         |        | PLANT       |
| ✓    |      |         |        | BOWRON        |      | ✓    |         |        | RANKINE     |
|      | ✓    |         |        | BUDD          | ✓    |      |         |        | RATLIFF     |
|      | ✓    |         |        | CALL          |      | ✓    |         |        | ROHRBACH    |
|      | ✓    |         |        | CHAMBERLAIN   | ✓    |      |         |        | RYCKMAN     |
| ✓    |      |         |        | CROSS         | ✓    |      |         |        | SCHWOPE     |
| ✓    |      |         |        | CUBIN         | ✓    |      |         |        | SHREVE      |
| ✓    |      |         |        | DEWITT        | ✓    |      |         |        | SIMONS      |
| ✓    |      |         |        | DUNNUCK       |      | ✓    |         |        | SULLIVAN    |
|      | ✓    |         |        | ENZI          |      | ✓    |         |        | TEMPEST     |
|      | ✓    |         |        | GAMS          |      | ✓    |         |        | TIBBS       |
| ✓    |      |         |        | GARCIA        |      | ✓    |         |        | TIPPETS     |
| ✓    |      |         |        | GOODENOUGH    | ✓    |      |         |        | TIPTON      |
| ✓    |      |         |        | GRANT         | ✓    |      |         |        | TYSDAL      |
|      | ✓    |         |        | HACKER        | ✓    |      |         |        | VASEY       |
| ✓    |      |         |        | HAGEMAN       |      | ✓    |         |        | VLASTOS     |
|      | ✓    |         |        | HANSEN        | ✓    |      |         |        | WALLIS      |
| ✓    |      |         |        | HARRIS        | ✓    |      |         |        | WATSON      |
| ✓    |      |         |        | HARRISON, F.  |      | ✓    |         |        | WOLD        |
|      | ✓    |         |        | HARRISON, R.  |      | ✓    |         |        | WOLFLEY     |
|      | ✓    |         |        | HINCHEY       |      | ✓    |         |        | WRIGHT      |
|      | ✓    |         |        | HINES         |      | ✓    |         |        | ZUMBRUNNEN  |
|      | ✓    |         |        | HONAKER       | ✓    |      |         |        | MR. SPEAKER |
| ✓    |      |         |        | HUMPHREY      |      |      |         |        |             |
|      | ✓    |         |        | KUNZ          |      |      |         |        |             |
|      | ✓    |         |        | LAW           |      |      |         |        |             |
|      | ✓    |         |        | LUMMIS        |      |      |         |        |             |
|      | ✓    |         |        | MACMILLAN, P. |      |      |         |        |             |
| ✓    |      |         |        | MARTON        |      |      |         |        |             |
| ✓    |      |         |        | MCMILLAN, B.  |      |      |         |        |             |

AYES 32  
 NOES 32  
 EXCUSED \_\_\_\_\_  
 ABSENT \_\_\_\_\_  
 TOTAL 64  
 LESS \_\_\_\_\_

PRESENT Chairman

1 HB0060HW1/A

2 Page 42-line 20 Delete "fifty percent (50%)" insert  
3 "twenty-five percent (25%)".

4 Page 43-line 5 Delete fifty percent (50%)" insert  
5 "seventy-five percent (75%)". RATLIFF

Adopted

1 HB0060HW4/A

2 Page 2-line 19 After "authority" insert "and department of  
3 revenue".

4 Page 41-line 17 After "collected" insert "by the department  
5 of revenue".

6 Page 41-line 19 After "payable" insert "to the department  
7 of revenue".

8 Page 42-line 7 Delete ",col-".

9 Page 42-line 8 Delete "lect"; after "." insert "The  
10 department of revenue shall collect the tax  
11 imposed under this section."

12 Page 54-line 5 Delete.

13 Page 54-line 6 Delete "dollars (\$2,195,332.00)" insert  
14 "one hundred seventy-three thousand eight  
15 hundred sixty-five dollars  
16 (\$2,173,865.00)".

17 Page 54-line 9 Delete "fourteen (14)" insert "thirteen  
18 (13)".

19 Page 54-line 10 After "." insert "To carry out this act for  
20 the fiscal year commencing July 1, 1991 and  
21 ending June 30, 1992, twenty-one thousand  
22 four hundred sixty-seven dollars  
23 (\$21,467.00) or as much thereof as is nec-  
24 essary, is appropriated from the general  
25 fund to the department of revenue for the  
26 addition of one (1) full-time position."  
27 BOWRON

Dr.

Adopted

2 Page 1-line 5 After "(c)," insert "7-19-106(a)(vi) and by  
3 creating a new paragraph (vii),"

4 Page 1-line 6 Delete.

5 Page 1-line 7 Delete the line through "(iv)" insert  
6 "12-2-102 and 12-2-301 by creating a new  
7 subsection (e)".

8 Page 1-line 10 Delete "director of the".

9 Page 1-line 11 Delete "division of criminal investigation"  
10 insert "liquor commission".

11 Page 4-line 4 Delete "director".

12 Page 4-line 5 Delete.

13 Page 4-line 6 Delete line through "general" insert  
14 "liquor commission".

15 Page 4-line 7 Delete "9-1-612" insert "12-2-301".

16 Page 10-line 16 Delete "officer" insert "employee or  
17 agent".

18 Page 10-line 17 After "order," insert "or is accompanied by  
19 a peace officer who is entering".

20 Page 10-line 21 After "an" insert "employee or".

21 Page 50-line 9 After "(c)," insert "7-19-106(a)(vi) and by  
22 creating a new paragraph (vii),"

23 Page 50-line 10 After "(e)," delete balance of line.

24 Page 50-line 11 Delete the line through "(iv)" insert  
25 "12-2-102 and 12-2-301 by creating a new  
26 subsection (e)".

27 Page 52-lines 15 through 23 Delete.

28 Page 53-lines 1 through 21 Delete.

29 Page 54-line 1 Delete.

30 Page 54-After line 1 Insert:

31 "7-19-106. Access to, and dissemination of, informa-  
32 tion.

33 (a) Criminal history record information shall be dis-  
34 seminated by criminal justice agencies in this state,  
35 whether directly or through any intermediary, only to:

36 (vi) Any record subject as provided by W.S. 7-19-109*7*;

37 (vii) THE WYOMING LIQUOR COMMISSION WHEN ACTING

1 AS THE STATE GAMING AUTHORITY PURSUANT TO W.S. 40-19-101  
2 THROUGH 40-19-503.

3 12-2-102. Employees generally.

4 (a) The commission shall employ a director and other  
5 employees necessary to carry out the responsibilities of the  
6 commission and the requirements of law in the number other-  
7 wise authorized by law.

8 (b) THE COMMISSION SHALL EMPLOY PERSONS IN ACCORDANCE  
9 WITH W.S. 40-19-101 THROUGH 40-19-503, WHO POSSESS NECES-  
10 SARY QUALIFICATIONS DETERMINED BY THE COMMISSION IN CARRYING  
11 OUT DUTIES AND RESPONSIBILITIES OF THE STATE GAMING AUTHOR-  
12 ITY.

13 12-2-301. Generally.

14 (e) THE COMMISSION SHALL SERVE AS THE STATE GAMING  
15 AUTHORITY AND CARRY OUT THE DUTIES PRESCRIBED BY W.S.  
16 40-19-101 THROUGH 40-19-503."

17 Page 54-line 7 Delete "divi-".

18 Page 54-line 8 Delete.

19 Page 54-line 9 Delete "attorney general," insert "liquor  
20 commission".

21 Page 54-line 11 Delete "division" insert "liquor commis-  
22 sion".

23 Page 54-line 16 Delete "division" insert "liquor commis-  
24 sion".

25 Page 54-line 18 Delete "division" insert "liquor commis-  
26 sion". ALDEN

*ew*

- 2 Page 2-line 10 After "ises" delete balance of line and  
3 insert "which have areas not accessible to  
4 minors;".
- 5 Page 38-line 6 Delete entirely.
- 6 Page 38-line 7 Delete "license;"; delete "and hours of  
7 operation".
- 8 Page 38-line 8 After "fees" delete balance of line and  
9 insert ".".
- 10 Page 38-line 9 Delete entirely.
- 11 Page 38-line 10 After "person" delete balance of line.
- 12 Page 38-line 11 Delete entirely.
- 13 Page 38-line 12 Delete "12-4-401" insert "having an estab-  
14 lished place of business which has areas  
15 not accessible to minors".
- 16 Page 38-line 17 After "licensed" delete balance of line.
- 17 Page 38-lines 18 through 21 Delete entirely.
- 18 Page 38-line 22 Delete "subsection" insert "and in areas  
19 not accessible to minors".
- 20 Page 39-line 3 Delete "current liquor license num-".
- 21 Page 39-line 4 Delete "ber" insert "proposed location of  
22 video gaming machines and associated equip-  
23 ment".
- 24 Page 39-line 21 Delete entirely.
- 25 Page 40-lines 1 through 11 Delete entirely and renumber sub-  
26 sequent subsections accordingly.
- 27 Page 40-line 14 Delete "Opera-".
- 28 Page 40-lines 15 through 18 Delete entirely.
- 29 Page 41-lines 1 through 6 Delete entirely. HINCHEY

*DM*

# THE LEGISLATURE OF THE STATE OF WYOMING

## House of Representatives

Cheyenne, January 16, 1991

Mr. Speaker:

Your Committee No. 6 on Travel, Recreation & Wildlife

to whom was referred House Bill No. 0060

respectfully reports same back to the House with the recommendation that

**DO PASS**

AYES

- Arnold
- Bowron
- Hageman
- Harris
- Marton
- Phelan
- Shreve

NOES

- Gans
- Hacker
- Law
- Rankine

EXCUSED

0

*Peg Atkinson*

Chairman

THE LEGISLATURE OF THE STATE OF WYOMING

House of Representatives

Cheyenne, January 28, 1991.

Mr. Speaker:

Your Committee No. 2 on APPROPRIATIONS

to whom was referred H.B. No. 0060

respectfully reports same back to the House with the recommendation that SF0060

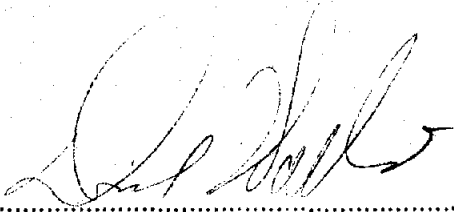
DO PASS.

AYES

NOES

EXCUSED

Alden  
Humphrey  
Wolfley  
Ratliff  
Tysdal  
Tempest  
Wallis



DICK WALLIS

Chairman

|                                       |                                       |
|---------------------------------------|---------------------------------------|
| House of Intro                        | Second House                          |
| To Com. No. _____                     | To Com No. _____                      |
| Stand Report Do ___ Amd ___ Not ___   | Stand Report Do ___ Amd ___ Not ___   |
| Com Whole Do ___ Amd ___ Not ___      | Com Whole Do ___ Amd ___ Not ___      |
| 2nd Reading Amd ___                   | 2nd Reading Amd ___                   |
| 3rd Reading Amd ___ Pass ___ Fail ___ | 3rd Reading Amd ___ Pass ___ Fail ___ |

1991

STATE OF WYOMING

91LSO-0021.01

HOUSE BILL NO. 0060

Video gaming.

Sponsored by: JOINT TRAVEL, RECREATION AND  
WILDLIFE INTERIM COMMITTEE

A BILL

for

1 AN ACT to create W.S. 40-19-101 through 40-19-503; and to  
 2 amend W.S. 6-7-101(a)(iii) by creating a new subparagraph  
 3 (G), by creating a new paragraph (ix) and by renumbering  
 4 paragraph (ix) as (x), 6-7-102 by creating a new subsec-  
 5 tion (c), 9-1-603 by creating a new subsection (e),  
 6 9-1-612(a), 9-1-613 by creating a new subsection (e) and  
 7 9-1-618(b) by creating a new paragraph (iv) relating to  
 8 public gaming; specifically authorizing public gaming by  
 9 video gaming machines subject to licensure requirements;  
 10 providing definitions; establishing the director of the  
 11 division of criminal investigation as the state gaming  
 12 authority; imposing duties and responsibilities upon the

1 authority, delegating enforcement and granting rulemaking  
2 authority; granting concurrent authority to the attorney  
3 general for prosecution of gaming violations; providing  
4 for licensure of machine manufacturers, distributors and  
5 operators by the state gaming authority and imposing  
6 license requirements; establishing cities, towns and coun-  
7 ties as local licensing authorities and granting authority  
8 for licensure of video gaming premises; limiting local  
9 authority as specified and limiting video gaming to prem-  
10 ises licensed to sell alcoholic liquor and malt beverages;  
11 imposing machine specifications and requiring inspection  
12 of and identification stamps on machines; establishing and  
13 mandating enrollment in the state communications and con-  
14 trol system connecting licensed machines by a central com-  
15 puter; imposing license fees; providing for resolution of  
16 disputes between machine owners and players; imposing a  
17 gross receipts tax upon machines; prohibiting local gov-  
18 ernments from imposing taxes; providing for tax adminis-  
19 tration and collection by the state gaming authority;  
20 imposing bonding requirements; specifying distribution of  
21 tax collections; imposing penalties; establishing posses-  
22 sion of professional gambling devices as a felony; provid-  
23 ing for an appropriation; imposing rulemaking and public  
24 notice duties prior to licensure; and providing for effec-

1     tive dates.

2     Be It Enacted by the Legislature of the State of Wyoming:

3             Section 1. W.S. 40-19-101 through 40-19-503 are cre-  
4     ated to read:

5   CHAPTER 19

6   PUBLIC GAMING

7   ARTICLE 1

8   GENERAL PROVISIONS

9             40-19-101. Definitions.

10            (a) As used in this chapter:

11                    (i) "Games of chance" means the specific kinds  
12     of games of chance authorized under this chapter, includ-  
13     ing video gaming machines as defined under W.S.  
14     40-19-401(a)(ix);

15                    (ii) "Local licensing authority" means the gov-  
16     erning body of an incorporated city, town or county in  
17     Wyoming with the responsibility to issue and administer a  
18     particular local gaming license;



1 for use in licensed games of chance authorized under this  
2 chapter;

3 (iii) Monitor the conduct or business of licen-  
4 sees under this chapter to the extent necessary to ensure  
5 compliance with this chapter and its rules and regula-  
6 tions;

7 (iv) Assess and collect the gross receipts tax  
8 imposed under W.S. 40-19-408(a);

9 (v) Regulate games of chance conducted under any  
10 license issued under this chapter to assure the games are  
11 fairly held, operated and conducted in accordance with the  
12 requirements of the appropriate license and this chapter;

13 (vi) Enforce this chapter and state gaming  
14 authority rules and regulations and assist local law  
15 enforcement in enforcing this chapter;

16 (vii) Promulgate rules and regulations necessary  
17 to carry out the provisions and responsibilities imposed  
18 by this chapter;

19 (viii) Conduct necessary examinations, inspec-  
20 tions and investigations for the enforcement of this chap-  
21 ter, applicable state law and state gaming authority rules

1 and regulations.

2 (b) In any examination, inspection or investigation  
3 conducted pursuant to this chapter, the state gaming  
4 authority may by subpoena require the production of books,  
5 papers, records, files, correspondence, documents and  
6 other evidence relevant to the inquiry.

7 (c) Upon refusal of any person to comply with any  
8 subpoena and upon application by the state gaming author-  
9 ity, the district court of the county in which the exami-  
10 nation, inspection or investigation is conducted or in  
11 which the person resides or may be found, may issue an  
12 order requiring the person to comply with the subpoena and  
13 produce evidence. Failure to obey a court order is  
14 grounds for immediate license suspension and may be pun-  
15 ished by the court as contempt.

16 40-19-202. Investigation and review of applications  
17 for local licensure; determination; submission to local  
18 licensing authority; effect; conditions; investigation  
19 costs; appeal.

20 (a) The state gaming authority shall upon receipt of  
21 any application for any local gaming license submitted by  
22 a local licensing authority under this chapter, investi-

1 gate the qualifications of the applicant and the merits of  
2 the application. In its investigation, the state gaming  
3 authority shall determine:

4 (i) The existence of a prior criminal record  
5 showing a conviction for violation of federal or state law  
6 by any of the following persons:

7 (A) If applicable, any individual or member  
8 of the applicant organization designated within the appli-  
9 cation to be responsible for the conduct of the authorized  
10 games of chance;

11 (B) If applicable, the person under whose  
12 name the games of chance will be conducted;

13 (C) Any individual to be employed or per-  
14 forming services for the applicant in connection with the  
15 authorized games of chance;

16 (D) Any person leasing premises upon which  
17 the authorized games of chance are to be conducted.

18 (ii) If the applicant is duly qualified to hold,  
19 operate and conduct games of chance under this chapter;

20 (iii) If the authorized games of chance are to

1 be held, operated and conducted in accordance with provi-  
2 sions of this chapter governing the holding, operation and  
3 conduct of the games of chance and if applicable, that the  
4 proceeds are to be disposed of as required for the partic-  
5 ular license.

6 (b) Within a reasonable period of time not to exceed  
7 one hundred twenty (120) days following receipt of any  
8 application for a new license under W.S. 40-19-302 or  
9 within thirty (30) days following receipt of any applica-  
10 tion for license renewal, the state gaming authority shall  
11 submit to the appropriate local licensing authority in  
12 writing its approval or denial of the application for  
13 licensure under this chapter together with its findings.  
14 The local licensing authority shall not issue or renew a  
15 local license authorized under this chapter unless the  
16 state gaming authority has approved the application.

17 (c) The state gaming authority shall not approve any  
18 application submitted by a local licensing authority if  
19 based upon the investigation conducted under paragraph  
20 (a)(i) of this section, it determines the prior activity  
21 or criminal record of the applicant and persons enumerated  
22 under paragraph (a)(i) of this section:

1           (i) Poses a threat to the public interest of the  
2 state or the effective regulation and control of autho-  
3 rized games of chance; or

4           (ii) Creates a danger of unlawful practices,  
5 methods or activities in the conduct of authorized games  
6 of chance or in the conduct of business and financial  
7 arrangements incidental to games of chance.

8           (d) The cost of necessary background investigation of  
9 any applicant for a local license or license renewal under  
10 this section shall be paid by the applicant. The state  
11 gaming authority shall by rule and regulation establish  
12 the conditions and procedures for payment and may require  
13 payment in advance.

14           (e) Any determination by the state gaming authority  
15 under this chapter is subject to appeal in accordance with  
16 the Wyoming Administrative Procedure Act.

17           40-19-203. Inspections and examinations; failure to  
18 permit entry.

19           (a) In enforcing this chapter, the state gaming  
20 authority through its employees or agents may:

21           (i) Enter and inspect at any time the premises

1 upon which games of chance are conducted or from which  
2 supplies, devices and equipment for games of chance are  
3 manufactured, maintained or supplied;

4 (ii) Examine the records, books of account and  
5 equipment, supplies or devices of any license applicant or  
6 licensee, as necessary to conduct examinations, inspec-  
7 tions and investigations under this chapter;

8 (iii) Seize, remove and impound from the prem-  
9 ises of any licensee, equipment, supplies and devices for  
10 the purpose of examination and inspection;

11 (iv) Conduct detailed audits and investigations  
12 when warranted.

13 (b) Entry for purposes of inspection is authorized  
14 only during open business hours unless it is in the pres-  
15 ence of the licensee or a duly authorized representative  
16 of the licensee, or unless the officer making entry does  
17 so under court order, under search warrant issued by a  
18 court of competent jurisdiction or has reasonable grounds  
19 to believe that evidence of any violation of this chapter  
20 is within the place to be entered. Refusal to permit the  
21 entry of an agent of the state gaming authority to the  
22 licensed premises or place of business for the purpose of

1 inspection in accordance with this subsection is grounds  
2 for immediate license suspension.

3 40-19-204. Conflict of interests prohibited.

4 (a) The state gaming authority and any employee of  
5 the authority shall not:

6 (i) Have any financial interest with or involv-  
7 ing any person licensed under this chapter;

8 (ii) Hold a license issued under this chapter;

9 (iii) Conduct or operate any authorized game of  
10 chance;

11 (iv) Receive any gift, gratuity or anything of  
12 value from any licensee;

13 (v) Participate in any authorized games of  
14 chance or be eligible to receive prizes awarded in any  
15 game of chance.

16 ARTICLE 3

17 LOCAL LICENSING AUTHORITY

18 40-19-301. Authority of cities, towns and counties;  
19 limitations; assessment and payment of fees.

1           (a) Incorporated cities, towns and counties within  
2 Wyoming may in their sole discretion license or prohibit  
3 the conduct of any or all games of chance authorized under  
4 this chapter. Nothing in this chapter prohibits a local  
5 licensing authority of an incorporated city, town or  
6 county from refusing to issue any license or to renew any  
7 license authorized under this chapter.

8           (b) The state preempts the field of games of chance  
9 authorized under this chapter and no city, town or county  
10 shall authorize, regulate or prohibit authorized games of  
11 chance except as provided by this chapter. This subsec-  
12 tion shall not prohibit any city, town or county by local  
13 ordinance or resolution, from regulating the general  
14 health, safety and welfare within the local jurisdiction  
15 or from imposing other requirements not in conflict with  
16 this chapter.

17           (c) Unless otherwise provided, the licensing author-  
18 ity shall uniformly assess local license fees annually for  
19 each particular license. Applicants for a local license  
20 shall pay the required fee in advance by cash or certified  
21 check.

22           40-19-302. Application for licenses and license

1 renewals; contents; submission to state gaming authority;  
2 notification of change in application information; pen-  
3 alty.

4 (a) To conduct any authorized game of chance, an  
5 applicant for any local license or local license renewal  
6 under this chapter shall file written application with the  
7 appropriate local licensing authority. The application  
8 shall be made under oath upon a form prepared by the state  
9 gaming authority and furnished to the local licensing  
10 authority. The application shall contain information  
11 required by this chapter for granting or renewing any  
12 local license authorizing the conduct of a specified and  
13 authorized game of chance and shall be filed in the office  
14 of the clerk of the appropriate local licensing authority.

15 (b) Upon receipt of an application for any local  
16 license or license renewal containing all information  
17 required under this chapter, the local licensing authority  
18 shall immediately transmit a copy of the completed appli-  
19 cation to the state gaming authority for investigation and  
20 review pursuant to W.S. 40-19-202. Any local licensing  
21 authority shall not approve the application unless the  
22 state gaming authority approves the application in accor-  
23 dance with this chapter.

1           (c) An applicant shall during pendency of the appli-  
2 cation, immediately notify the local licensing authority  
3 of any change in the facts stated in the application. If  
4 any substantial change occurs after local license issuance  
5 or renewal, the change shall be reported to the local  
6 licensing authority within ten (10) days after the date of  
7 the change. The local licensing authority shall immedi-  
8 ately notify the state gaming authority of any change  
9 reported by an applicant or licensee. Failure to report  
10 any change in fact stated in the initial application or  
11 any substantial change after issuance or renewal of a  
12 local license shall be grounds for denial of an applica-  
13 tion or revocation of an existing license.

14           (d) Any person knowingly submitting an application  
15 containing false information in violation of this chapter  
16 is guilty of a felony punishable by a fine of not more  
17 than ten thousand dollars (\$10,000.00), imprisonment for  
18 not more than three (3) years, or both.

19           40-19-303. Combination of interests prohibited;  
20 license limitation per person.

21           (a) Any local license authorized by this chapter  
22 shall not be held by, issued or transferred to:

1           (i) Except for local video gaming licenses  
2 issued under W.S. 40-19-407, any person or organization in  
3 which any officer, director, manager, employee or agent  
4 has a direct or indirect interest in any manufacturer,  
5 distributor or operator of equipment, devices and supplies  
6 licensed by or applying for licensure with the state gam-  
7 ing authority under this chapter or serves as an officer,  
8 director, proprietor or employee or is a stockholder hold-  
9 ing more than two percent (2%) of the outstanding shares  
10 of the manufacturer, distributor or operator;

11           (ii) Any mayor, member of a town council or  
12 county commissioner within their respective jurisdiction;

13           (iii) Any person employed by the local licensing  
14 authority or to any organization in which the employed  
15 person has an ownership interest;

16           (iv) Any person employed by the state gaming  
17 authority or to any organization in which the employed  
18 person has an ownership interest;

19           (v) Any peace officer employed by the state or  
20 any city, town or county.

21           (b) No licensing authority shall issue more than one

1 (1) local license to any one (1) person.

2 40-19-304. Publication of notice; grant or denial;  
3 copy of application and notice to state gaming authority;  
4 judicial review.

5 (a) Upon receipt of an application for any local  
6 license or license renewal and following approval by the  
7 state gaming authority, the clerk of the local licensing  
8 authority shall promptly prepare a notice of application,  
9 place the notice conspicuously upon the premises shown by  
10 the application as the proposed location upon which the  
11 games are to be conducted and publish the notice in a  
12 newspaper of local circulation once a week for a period of  
13 three (3) consecutive weeks. The notice shall state that  
14 a named applicant has applied for a local license or  
15 license renewal, the proposed location upon which the  
16 games are to be conducted and that protests against the  
17 issuance or renewal of the license will be heard at a des-  
18 ignated meeting of the local licensing authority. Each  
19 applicant shall at the time of filing his application, pay  
20 the clerk an amount sufficient to cover the costs of pub-  
21 lishing notice.

22 (b) Any local license authorized under this chapter

1 shall not be issued or renewed until on or after the date  
2 set in the notice for public hearing. If a hearing for  
3 license renewal, the hearing shall be held no later than  
4 thirty (30) days preceding the expiration date of the  
5 license and no later than thirty (30) days following  
6 approval of the license renewal by the state gaming  
7 authority.

8 (c) Any local license shall not be issued or renewed  
9 by the local licensing authority until:

10 (i) The state gaming authority approves the  
11 qualifications of the applicant and the merits of the  
12 application;

13 (ii) The state gaming authority has executed and  
14 transmitted the proposed license or license renewal to the  
15 local gaming authority;

16 (iii) The applicant complies with the criteria,  
17 standards and regulations imposed by this chapter.

18 (d) Upon approval or denial of a local license or a  
19 license renewal, the local licensing authority shall  
20 promptly notify the state gaming authority.

21 (e) An applicant for license renewal may appeal to

1 the district court from an adverse decision by the local  
2 licensing authority. In an appeal pursuant to this sub-  
3 section, the person applying for license renewal shall be  
4 named as plaintiff and the local licensing authority as  
5 defendant. Upon notice of an appeal, the clerk shall  
6 transmit to the clerk of district court a certified copy  
7 of the application, of any protests and of the minutes  
8 recording the decision appealed. The appeal shall be  
9 heard pursuant to the Wyoming Administrative Procedure  
10 Act.

11 40-19-305. Proof of financial responsibility  
12 required. Before issuing or renewing any local license and  
13 in addition to payment of license fees, the local licens-  
14 ing authority shall require the license applicant to fur-  
15 nish the clerk of the local licensing authority a bond or  
16 other form of financial responsibility approved by the  
17 local licensing authority, in an amount not less than two  
18 (2) times the maximum amount established by rule and regu-  
19 lation of the state gaming authority. Proof of financial  
20 responsibility shall be immediately forwarded to and  
21 recorded by the state gaming authority.

22 40-19-306. Disposition of license fees; refunds pro-  
23 hibited. All fees for local licenses issued or renewed by

1 a local licensing authority paid under this chapter shall  
2 be deposited into the treasury of the local licensing  
3 authority. No refund of all or any part of a license fee  
4 shall be made at any time following issuance.

5 40-19-307. Term of license and permit; exception.

6 (a) Any local license issued or renewed under this  
7 chapter by a local licensing authority is considered a  
8 privilege to the holder and the term of the license is for  
9 one (1) year unless sooner revoked.

10 (b) The term of a local license may be less than one  
11 (1) year if specified by the local licensing authority to  
12 coincide with the annual date or dates set by the author-  
13 ity for consideration of license issuance and license  
14 renewals. A local licensing authority issuing a license  
15 for a term less than one (1) year shall prorate the annual  
16 fee accordingly.

17 40-19-308. Transfer of license location or ownership  
18 prohibited; ownership transfer specified.

19 (a) Except as provided under W.S. 40-19-407(d), any  
20 local license issued under this chapter shall not be  
21 transferred or sold.

1           (b) A transfer or sale of fifty percent (50%) or more  
2 of the ownership of a local license is a transfer or sale  
3 for purposes of this section.

4           40-19-309. Duty to prepare and furnish license forms;  
5 signature and attestation; contents; display required.

6           (a) The state gaming authority shall prepare and fur-  
7 nish to each city, town and county a form for local  
8 licenses issued under this chapter. A license on a form  
9 other than as prescribed by the state gaming authority is  
10 invalid.

11           (b) Each local license issued by a city or town shall  
12 be signed by the mayor and attested by the clerk. Each  
13 local license issued by a county shall be signed by the  
14 chairman of the board of county commissioners and attested  
15 by the county clerk.

16           (c) The following shall be shown on each local  
17 license:

18                   (i) The name of the licensee;

19                   (ii) A description of the premises on which spe-  
20 cific authorized games of chance may be conducted;

- 1 (iii) The date of issuance;
- 2 (iv) The amount of the fee;
- 3 (v) That the fee has been paid; and
- 4 (vi) The written signature of the state gaming  
5 authority.

6 (d) Each licensee shall display his local license in  
7 a conspicuous place on the licensed premises.

8 40-19-310. Suspension and revocation; judicial  
9 review.

10 (a) A local licensing authority may suspend or revoke  
11 any local license issued under this chapter for any viola-  
12 tion of this chapter. A licensee may appeal license sus-  
13 pension or revocation by a local licensing authority to  
14 the district court in the manner specified under W.S.  
15 40-19-304(e) and the appeal proceedings shall be in accor-  
16 dance with the Wyoming Rules of Appellate Procedure. The  
17 suspension or revocation shall remain in effect pending a  
18 decision by the appellate court.

19 (b) The state gaming authority may suspend or revoke  
20 any local license issued under this chapter for any viola-



1 state;

2 (iv) "Gaming operator" means any person purchas-  
3 ing, leasing or otherwise acquiring from a gaming distrib-  
4 utor and operating and controlling a video gaming machine  
5 and associated equipment for public use or play in this  
6 state upon premises licensed under W.S. 40-19-407;

7 (v) "Gross receipts" means the total amount  
8 received by each video gaming machine and associated  
9 equipment licensed under this article less credits paid  
10 out in cash, as determined and verified by the state com-  
11 munications and control system;

12 (vi) "Local video gaming licensee" means any  
13 person holding a local video gaming license issued by a  
14 local gaming authority pursuant to W.S. 40-19-407;

15 (vii) "Manufacturer" means any person manufac-  
16 turing, assembling or producing video gaming machines or  
17 associated equipment for subsequent sale, use or distribu-  
18 tion in this state;

19 (viii) "State communications and control system"  
20 means the central computerized system established and  
21 maintained by the state gaming authority for control and

1 enforcement of licensed video gaming machines pursuant to  
2 this article;

3 (ix) "Video gaming machine" means an electronic  
4 video gaming machine that, upon insertion of cash, is  
5 available to play or simulate the play of a game, utiliz-  
6 ing a video display and microprocessors in which, by the  
7 skill of the player or by chance, or both, the player may  
8 receive free games or credits that can be redeemed for  
9 cash, excluding any machine directly dispensing coins,  
10 cash, tokens or anything else of value.

11 40-19-402. Video gaming machines and equipment autho-  
12 riized; conditions. Video gaming machines and associated  
13 equipment may be made available for public use or play  
14 subject to the requirements and conditions imposed under  
15 this article.

16 40-19-403. Licensing of manufactures, distributors  
17 and operators of video gaming machines and equipment by  
18 state gaming authority; application; conditions and  
19 restrictions; investigation costs.

20 (a) No person shall manufacture, sell, distribute,  
21 lease, purchase, service or operate any video gaming  
22 machine or associated equipment for public use or play in

1 this state unless licensed by the state gaming authority  
2 pursuant to this section.

3 (b) The state gaming authority may grant the follow-  
4 ing licenses:

5 (i) A manufacturer's license authorizing the  
6 manufacture of video gaming machines and associated equip-  
7 ment for subsequent distribution, sale, use or play in  
8 this state;

9 (ii) A gaming distributor's license authorizing  
10 the distribution, sale, lease and servicing of video gam-  
11 ing machines and associated equipment to and for a  
12 licensed gaming operator for use or play in this state;  
13 and

14 (iii) A gaming operator's license authorizing  
15 the lease or purchase and servicing of video gaming  
16 machines and associated equipment for use or play in this  
17 state on premises owned or leased by a local video gaming  
18 licensee.

19 (c) Application for a license under this section  
20 shall be verified under oath and submitted in writing to  
21 the state gaming authority on forms provided by the

1 authority, which shall include:

2 (i) The applicant's name and business address;

3 (ii) If applicable, the name and home street  
4 address of each owner of the applicant or if a corpora-  
5 tion, of the agent for service in this state and of each  
6 officer, director and each person holding two percent (2%)  
7 or more of the outstanding stock in the corporation;

8 (iii) If the applicant is a subsidiary company,  
9 the name and business address of the holding or parent  
10 company and the name and home street address of the agent  
11 for service for the company in this state and of each  
12 officer, director and person holding two percent (2%) or  
13 more of the outstanding stock of the holding or parent  
14 company;

15 (iv) If a corporation, any state in which the  
16 applicant is incorporated and the nature of business of  
17 the corporation;

18 (v) Any other jurisdiction in which the appli-  
19 cant manufactures, distributes, sells, leases, purchases,  
20 services or operates video gaming machines or associated  
21 equipment;

1           (vi) Any criminal record of the applicant or of  
2 any person named under this subsection for a conviction of  
3 any violation of state or federal law;

4           (vii) Any disciplinary action taken by any state  
5 or the federal government against the applicant or any  
6 person named under this subsection regarding any matter  
7 related to manufacturing, distributing, selling, leasing,  
8 purchasing, servicing or operating video gaming machines  
9 and associated equipment;

10           (viii) A statement of all gross revenues gener-  
11 ated in the preceding year from the manufacture, sale,  
12 lease, distribution or operation of video gaming machines  
13 and associated equipment, including revenues generated  
14 outside this state;

15           (ix) If applicable, the name and address of any  
16 source of video gaming machines or associated equipment  
17 for the applicant;

18           (x) The length of time the applicant has manu-  
19 factured, distributed, sold, leased or operated video gam-  
20 ing machines and associated equipment, whether within or  
21 outside this state;

1           (xi) The name of each certified video gaming  
2 technician employed by the applicant together with proof  
3 of certification if application is for a gaming  
4 distributor's or gaming operator's license pursuant to  
5 paragraph (b)(ii) or (iii) of this section;

6           (xii) The address of video gaming machine and  
7 associated equipment storage facilities located within  
8 Wyoming if application is for a manufacturer's or a gaming  
9 distributor's license under paragraph (b)(i) or (ii) of  
10 this section;

11           (xiii) Any other information and documentation  
12 the state gaming authority may by rule and regulation  
13 require.

14           (d) If the applicant is a subsidiary company, the  
15 holding or parent company shall supply the information  
16 required under subsection (c) of this section.

17           (e) In addition to the information required to be  
18 furnished under subsection (c) of this section, the state  
19 gaming authority shall require each corporate applicant  
20 for a license under this section to provide for each offi-  
21 cer and director of the applicant:

1           (i) A verified affidavit as to the ownership of  
2 any direct or indirect interest in any casino, racetrack  
3 or other gambling establishment;

4           (ii) A current personal financial statement; and

5           (iii) Copies of individual federal and state  
6 income tax returns for the previous three (3) years.

7           (f) The state gaming authority shall by rule and reg-  
8 ulation establish the applicability of subsection (e) of  
9 this section to officers and directors of any parent or  
10 holding company affiliated with the applicant.

11          (g) An applicant for a license under this section  
12 shall not directly or indirectly have any financial  
13 arrangement or connection with or be employed by the state  
14 gaming authority or by any mayor, member of a town or city  
15 council, county commissioner or by any local licensing  
16 authority. This subsection applies only to the applicant,  
17 his spouse and immediate family members.

18          (h) The state gaming authority shall not issue a  
19 license under this section if based upon information sub-  
20 mitted and necessary investigation conducted under this  
21 section, it determines any prior activity or criminal

1 record of any person named under subsection (c) of this  
2 section:

3 (i) Poses a threat to the public interest of the  
4 state or the effective regulation and control of video  
5 gaming and other authorized games of chance in this state;  
6 or

7 (ii) Creates a danger of illegal practices,  
8 methods or activities in the public use or play of video  
9 gaming machines and associated equipment or other autho-  
10 rized games of chance, or in the conduct of business and  
11 financial arrangements incidental to video gaming and  
12 other authorized games of chance.

13 (j) The cost of necessary background investigation of  
14 any applicant conducted by the state gaming authority  
15 shall be paid by the applicant. Payment shall be in  
16 accordance with rules and regulations of the state gaming  
17 authority promulgated pursuant to W.S. 40-19-202(d).

18 40-19-404. Manufacturer's, distributor's and  
19 operator's license fees; disposition of fees; term; non-  
20 transferable; bonding; suspension and revocation; appeal.

21 (a) The state gaming authority shall assess the fol-

1       lowing annual license fees payable in advance:

2               (i) Manufacturer's license.....\$3,000.00;

3               (ii) Gaming distributor's license.....2,000.00;

4               (iii) Gaming operator's license.....2,000.00.

5               (b) The state gaming authority shall transfer revenue  
6 from fees collected under this section and W.S. 40-19-405  
7 to the state treasurer for deposit in the general fund.

8               (c) A manufacturer's, gaming distributor's or gaming  
9 operator's license issued under W.S. 40-19-403 is effec-  
10 tive for one (1) year unless sooner revoked and is not  
11 transferable.

12              (d) In addition to the annual license fee imposed  
13 under this section, an applicant for a license under W.S.  
14 40-19-403 shall furnish the state gaming authority a per-  
15 formance bond guaranteeing compliance with this chapter  
16 and rules and regulations of the state gaming authority.  
17 The state gaming authority shall establish the amount of  
18 the bond in each case provided the total bond amount does  
19 not exceed ten thousand dollars (\$10,000.00).

20              (e) The state gaming authority may suspend or revoke

1 any license issued under W.S. 40-19-403 for violation of  
2 any provision of this chapter or rule or regulation of the  
3 authority. Suspension or revocation is subject to appeal  
4 in accordance with the Wyoming Administrative Procedure  
5 Act.

6 40-19-405. Inspection of video gaming machines and  
7 equipment; declaration of machine ownership; state identi-  
8 fication stamps to be affixed to machines; fee; expiration  
9 and renewal; transfer; enrollment in state communication  
10 and control system required; failure to permit entry.

11 (a) The state gaming authority shall inspect, approve  
12 and issue a state identification stamp for any video gam-  
13 ing machine or associated equipment manufactured, distrib-  
14 uted, sold or leased or operated in this state before the  
15 machine or associated equipment may be placed in any  
16 licensed premises for public use or play.

17 (b) Any video gaming machine or associated equipment  
18 shall not be examined by the state gaming authority until  
19 the manufacturer, gaming distributor or gaming operator of  
20 the machine or associated equipment has obtained licenses  
21 pursuant to W.S. 40-19-403. In addition, a licensed manu-  
22 facturer or gaming distributor shall provide and maintain

1 adequate facilities within the state for the storage of  
2 its video gaming machines and associated equipment prior  
3 to distribution or placing machines in licensed premises  
4 and prior to inspection under this section. At the time  
5 of inspection, the ownership of the machine and associated  
6 equipment shall be declared. A local video gaming licen-  
7 see may not declare machine and associated equipment own-  
8 ership under this subsection unless in addition to holding  
9 a local video gaming license, the local licensee is  
10 licensed by the state gaming authority under W.S.  
11 40-19-403 and the local licensee employs certified video  
12 gaming technicians capable of servicing the machine and  
13 associated equipment. The state gaming authority shall  
14 impose a fee upon the licensed owner of the video gaming  
15 machine and associated equipment of one hundred dollars  
16 (\$100.00) for each stamp issued under this section.

17 (c) Upon inspection and approval and payment of the  
18 fee imposed under subsection (a) of this section, the  
19 state gaming authority shall issue a state identification  
20 stamp clearly stating the issuance and expiration dates on  
21 the stamp and the name of the owner of the video gaming  
22 machine and associated equipment. The stamp shall be  
23 affixed to the machine and associated equipment and shall

1 be valid for one (1) year. The stamp may be renewed annu-  
2 ally.

3 (d) Any licensed owner of a video gaming machine and  
4 associated equipment may transfer a stamp affixed to a  
5 machine and equipment to a licensed manufacturer, distrib-  
6 utor or gaming operator together with machine ownership,  
7 subject to approval by the state gaming authority and the  
8 requirements otherwise imposed under this chapter upon the  
9 lawful operation of video gaming machines. The licensed  
10 owner initially holding the stamp shall notify the state  
11 gaming authority upon a form provided by the authority of  
12 any proposed transfer under this subsection.

13 (e) The state gaming authority shall require stamp  
14 holders to enroll licensed video gaming machines in the  
15 state communications and control system. The established  
16 state system shall be capable of generating information on  
17 machine operations to the extent required under this arti-  
18 cle.

19 (f) In addition to the inspection required under sub-  
20 section (a) of this section, the state gaming authority  
21 through its employees or agents, shall examine video gam-  
22 ing machines and associated equipment placed in licensed

1 premises and shall through the state communications and  
2 control system, maintain records reflecting income and  
3 payout of the machines and other pertinent information as  
4 necessary. Any licensee refusing access to video gaming  
5 machines and equipment for examination by the state gaming  
6 authority or any agent is subject to license revocation as  
7 provided by law. Entry for purposes of examination is  
8 subject to limitations imposed under W.S. 40-19-203(b).

9 40-19-406. Video gaming machine specifications;  
10 required pay back; limitation on amount played; payment of  
11 credits won.

12 (a) Each video gaming machine authorized under this  
13 article shall:

14 (i) Be inspected in the state of Wyoming by the  
15 state gaming authority and bear a nonremovable state iden-  
16 tification stamp pursuant to W.S. 40-19-405;

17 (ii) Be enrolled in the state communications and  
18 control system consisting of a central computer and  
19 player-operated terminals;

20 (iii) Not have any switches, jumpers, wire posts  
21 or any other means of manipulation that could affect the

1 operation or outcome of a game;

2 (iv) Display the means and rules by which free  
3 games or credits will be awarded and the number of free  
4 games or credits which will be awarded under specified  
5 conditions;

6 (v) Have doors to two (2) locking areas, one (1)  
7 area containing the logic board and software for the game  
8 and the other housing the cash compartment and mechanical  
9 meters. These areas shall be locking and separated.  
10 Access to one (1) from the other shall not be allowed at  
11 any time;

12 (vi) Have one (1) or two (2) mechanisms accept-  
13 ing quarters or a mechanism accepting cash in the form of  
14 bills;

15 (vii) Have a nonresettable mechanical meter  
16 housed in a readily accessible area maintaining a perma-  
17 nent record of total cash accepted by the coin or bill  
18 acceptors and total credits removed;

19 (viii) Contain an electronic accounting device  
20 recording total credits, total credits played, total cre-  
21 dits won and the total pay back percentage credited;

1           (ix) Be capable of printing a ticket voucher  
2 stating the value of credits won for each game, the time  
3 of day credits are won, the date, the machine identifica-  
4 tion stamp number, the sequential number of ticket  
5 vouchers and a validation number from which voucher valid-  
6 ity may be determined;

7           (x) Comply with additional specifications and  
8 criteria imposed by rule and regulation of the state gam-  
9 ing authority.

10          (b) The state gaming authority shall prescribe the  
11 expected pay back value of one (1) credit played to be at  
12 least eighty-five percent (85%) but not more than ninety  
13 percent (90%) of the value of a credit, as annually estab-  
14 lished by rule and regulation of the state gaming author-  
15 ity. The pay back value shall be verified by required  
16 electronic accounting devices under paragraph (a)(viii) of  
17 this section.

18          (c) A video gaming machine shall not allow more than  
19 two dollars (\$2.00) to be played on any one (1) game or  
20 award free games or credits in excess of the value of one  
21 hundred dollars (\$100.00) per credit value of twenty-five  
22 cents (\$.25) played. Each local video gaming licensee

1 shall pay in cash all credits owed to a game participant  
2 as depicted on a valid ticket voucher.

3 40-19-407. Local licensing of premises for placement  
4 of machines in public use; authority of local licensing  
5 authority; application; review by state gaming authority;  
6 number of licenses available; transfer and sale of  
7 license; number of machines and hours of operation  
8 restricted; fees; license term to coincide with liquor  
9 license date.

10 (a) Any person holding a valid liquor license or malt  
11 beverage permit issued under W.S. 12-4-201, 12-4-301 or  
12 12-4-401 may apply to the appropriate local licensing  
13 authority for a local video gaming license authorizing the  
14 placement of inspected, approved and stamped video gaming  
15 machines and associated equipment by a person licensed  
16 pursuant to W.S. 40-19-403 for public use or play only  
17 within the premises licensed for the sale of alcoholic  
18 liquor and malt beverages. Restaurant liquor licenses  
19 issued under W.S. 12-4-407 and special malt beverage per-  
20 mits issued under W.S. 12-4-501, 12-4-502 or 12-4-504 do  
21 not qualify as a license or permit for purposes of this  
22 subsection. Application for licensure under this section  
23 shall be in accordance with W.S. 40-19-302 and in addition

1 to any other information required by the local licensing  
2 authority, shall include:

3 (i) The applicant's current liquor license num-  
4 ber;

5 (ii) Any criminal record of the applicant or of  
6 any person named under this subsection for a conviction of  
7 any violation of state or federal law;

8 (iii) A statement indicating the applicant's  
9 financial condition and financial stability; and

10 (iv) If the applicant is a corporation, the  
11 name, age and residence of each officer, director and  
12 stockholder holding, either jointly or severally, two per-  
13 cent (2%) or more of the outstanding and issued capital  
14 stock of the corporation.

15 (b) Upon review and approval of an application for  
16 licensure under this section by the state gaming authority  
17 in accordance with W.S. 40-19-202, the local licensing  
18 authority may approve the application subject to the  
19 requirements of W.S. 40-19-302 through 40-19-307 and this  
20 article.

21 (c) The total number of licenses issued by any local

1     licensing authority under this section shall not exceed  
2     the total number of liquor licenses and malt beverage per-  
3     mits issued by that authority under W.S. 12-4-201,  
4     12-4-301 and 12-4-401. This section does not prohibit any  
5     local licensing authority from refusing to issue a license  
6     under this section or from issuing less than the total  
7     number of allowable licenses permitted by this subsection.

8           (d) Notwithstanding W.S. 40-19-308, a licensee under  
9     this section may transfer the location and ownership of  
10    his license in the same manner as his liquor license or  
11    malt beverage permit under W.S. 12-4-601 through 12-4-604.

12           (e) Not more than five (5) video gaming machines and  
13    associated equipment shall be available for public use or  
14    play on each premises licensed under this section. Opera-  
15    tion and use of gaming machines and associated equipment  
16    on the licensed premises shall be restricted to the sched-  
17    ule of operating hours imposed upon the sale of alcoholic  
18    liquor and malt beverages under W.S. 12-5-101.

19           (f) In addition to bonding requirements imposed under  
20    W.S. 40-19-305, the local licensing authority shall uni-  
21    formly assess a local video gaming license fee of not more  
22    than two hundred dollars (\$200.00).

1           (g) In accordance with W.S. 40-19-307(b), the local  
2           licensing authority may issue a local license for a term  
3           of less than one (1) year to coincide with the annual date  
4           established by the local authority for consideration of  
5           liquor license and malt beverage permit issuance and  
6           renewal.

7           40-19-408. Gross receipts tax imposed upon video gam-  
8           ing machines; licensed owner responsible for tax payment;  
9           bimonthly payment; cities, towns and counties prohibited  
10          from imposing tax; duties of state gaming authority.

11          (a) A gross receipts tax of twenty percent (20%) is  
12          imposed upon the gross receipts of each video gaming  
13          machine and associated equipment licensed under this arti-  
14          cle. The tax shall be based upon the total amount  
15          received by each machine less credits paid out in cash,  
16          as determined and verified by the state communications and  
17          control system, and shall be collected from the licensed  
18          machine owner as indicated on the state identification  
19          stamp affixed to the machine. The tax is due and payable  
20          within fifteen (15) days following the fifteenth day of  
21          each month and within fifteen (15) days after the end of  
22          each month.

1           (b) The state preempts the field of imposing a tax  
2 upon the gross receipts of licensed video gaming machines  
3 and associated equipment as provided by subsection (a) of  
4 this section. No city, town or county may impose, levy  
5 and collect taxes upon gross receipts or other revenue  
6 generated by licensed video gaming machines.

7           (c) The state gaming authority shall administer, col-  
8 lect and enforce the tax imposed under this section. The  
9 licensed owner of a video gaming machine and associated  
10 equipment shall supply information required by the state  
11 gaming authority in carrying out this subsection. A per-  
12 son is not eligible for license renewal unless all infor-  
13 mation requested pursuant to this subsection is supplied  
14 to the state gaming authority in a timely manner.

15           40-19-409. Distribution of gross receipts tax pro-  
16 ceeds.

17           (a) Proceeds from revenues collected under the gross  
18 receipts tax imposed under W.S. 40-19-408(a) shall be  
19 transferred to the state treasurer who shall:

20                   (i) Deposit fifty percent (50%) of the revenues  
21 into the trust and agency fund for monthly distribution to  
22 those cities, towns and counties licensing games of chance

1 based upon the proportion that the gross receipts gener-  
2 ated within their respective jurisdiction bears to the  
3 statewide amount of gross receipts generated during any  
4 collection period;

5 (ii) Deposit fifty percent (50%) of the revenues  
6 into the general fund.

7 40-19-410. Bonding requirements guaranteeing gross  
8 receipts tax payment.

9 (a) Any person licensed under this article and  
10 responsible for payment of the gross receipts tax imposed  
11 under W.S. 40-19-408(a), shall furnish to the state gaming  
12 authority a performance bond guaranteeing payment of  
13 required taxes. The state gaming authority shall fix the  
14 amount of the bond in each case, taking into consideration  
15 the amount of money that has or is expected to become due  
16 from the responsible person.

17 (b) If the person ceases to place video gaming  
18 machines and associated equipment for public use or play  
19 and relinquishes his license, the state gaming authority  
20 shall authorize the release of all bonds and security on a  
21 determination that no amount of tax remains due and pay-  
22 able under W.S. 40-19-408(a).

1       40-19-411. Delinquent gross receipts tax payments;  
2       penalties.

3       (a) Any person failing to pay the tax imposed under  
4       W.S. 40-19-408(a) shall within thirty (30) days after the  
5       date due, be assessed a five percent (5%) penalty on the  
6       amount due. Any tax delinquent after sixty (60) days of  
7       the due date shall be assessed interest at an annual rate  
8       of ten percent (10%) and the license of the delinquent  
9       licensee shall be revoked. In addition to the penalty  
10      imposed under this subsection, any licensed video gaming  
11      machine and associated equipment for which a tax remains  
12      delinquent thirty (30) days after the date due shall be  
13      de-enrolled from the state communications and control sys-  
14      tem.

15      (b) After it is determined that any tax remains  
16      delinquent, the state gaming authority shall initiate a  
17      civil action through the attorney general to collect the  
18      amount due plus interest at the rate of ten percent (10%)  
19      per annum assessed from the date the delinquency is first  
20      discovered by the state gaming authority.

21      40-19-412. Disputes between players and machine  
22      owners; resolution.

1           (a) Any local video gaming licensee receiving a com-  
2           plaint from any person playing or using a video gaming  
3           machine and associated equipment placed upon his licensed  
4           premises alleging that a machine has malfunctioned or  
5           otherwise deprived the person of winnings due, shall  
6           request the person's identification, record his name and  
7           address, prevent further public use or play of the machine  
8           and equipment and immediately notify the licensed owner of  
9           the machine and the state gaming authority. The state  
10          gaming authority shall investigate the complaint and  
11          within ten (10) days following receipt of notification,  
12          allow the machine and associated equipment to be placed  
13          for public use or play or require the machine and equip-  
14          ment to be repaired or removed from public use or play.

15          (b) Any person may file a complaint with the state  
16          gaming authority alleging that a video gaming machine and  
17          associated equipment has malfunctioned or otherwise  
18          deprived him of winnings due. Upon receipt, the gaming  
19          authority shall promptly notify the licensed owner of the  
20          machine and associated equipment and provide the owner an  
21          opportunity to respond to the complaint within ten (10)  
22          days following receipt of notice. The gaming authority  
23          shall determine the dispute within thirty (30) days fol-

1     lowing the date the complaint is filed and affected par-  
2     ties shall be provided an opportunity for hearing before  
3     the authority in accordance with the Wyoming Administra-  
4     tive Procedure Act.

5             40-19-413. Manipulation of gaming machines prohib-  
6     ited; penalty; arrest for manipulation.

7             (a) Any person tampering with a video gaming machine  
8     or associated equipment licensed under this article,  
9     attempting or conspiring to manipulate or manipulating the  
10    outcome or the payoff of a video gaming machine by physi-  
11    cal tampering or other interference with the proper func-  
12    tioning of the machine is guilty of a felony punishable as  
13    prescribed by W.S. 40-19-503(a).

14            (b) Any peace officer of this state may arrest any  
15    person violating subsection (a) of this section.

16            40-19-414. Operation of gaming machines by minors  
17    prohibited; penalties; license suspension.

18            (a) No person under the age of twenty-one (21) shall  
19    operate or attempt to operate a video gaming machine  
20    licensed under this article.

21            (b) No person shall knowingly allow operation of a

1 video gaming machine by any other person under the age of  
2 twenty-one (21).

3 (c) A violation of subsections (a) and (b) of this  
4 section is a misdemeanor punishable by a fine of not more  
5 than one thousand dollars (\$1,000.00), imprisonment for  
6 not more than one (1) year, or both.

7 (d) In addition to the penalty imposed under subsec-  
8 tion (c) of this section, a violation of subsections (a)  
9 and (b) of this section is grounds for the immediate sus-  
10 pension of the local video gaming license of the licensee  
11 on whose premises the violation occurred.

12 40-19-415. Possession of gaming machines not enrolled  
13 in required state control system prohibited; confiscation.

14 (a) Any person possessing an operational video gaming  
15 machine as defined under W.S. 40-19-401(a)(ix) which is  
16 not enrolled in the state communications and control sys-  
17 tem pursuant to W.S. 40-19-406(a)(ii) is guilty of posses-  
18 sion of a gambling device as prohibited and penalized  
19 under W.S. 6-7-102(c).

20 (b) Any video gaming machine and associated equipment  
21 possessed in an illegal manner shall be confiscated by the

1 state gaming authority and disposed of by the court pursu-  
2 ant to W.S. 6-7-103.

3 ARTICLE 5

4 PENALTIES

5 40-19-501. General penalty for violations.

6 (a) Any person violating any provision of this chap-  
7 ter for which no specific penalty is provided is guilty of  
8 a felony punishable by a fine of not less than one thou-  
9 sand dollars (\$1,000.00), imprisonment for not less than  
10 one (1) year, or both. Each violation is a separate  
11 offense.

12 (b) Any person violating any reporting requirement of  
13 this chapter is guilty of a felony punishable by a fine of  
14 not more than ten thousand dollars (\$10,000.00), imprison-  
15 ment for not more than three (3) years, or both.

16 40-19-502. Manufacturing, selling, distributing, pur-  
17 chasing or leasing gaming equipment not licensed or  
18 authorized by gaming authority; conducting games of chance  
19 without license.

20 (a) Any person manufacturing, selling, distributing,

1 purchasing or leasing gaming equipment, supplies or  
2 devices without obtaining a license required by this chap-  
3 ter or not authorized by the state gaming authority pursu-  
4 ant to this chapter is guilty of professional gambling as  
5 prohibited and penalized under W.S. 6-7-102(b). Any  
6 equipment possessed and used in an illegal manner shall be  
7 confiscated by the state gaming authority and disposed of  
8 as directed by the court pursuant to W.S. 6-7-103.

9 (b) Any person conducting games of chance authorized  
10 by this chapter without holding a local license authoriz-  
11 ing the conduct of the games is guilty of professional  
12 gambling as prohibited and penalized under W.S.  
13 6-7-102(b).

14 40-19-503. Fraudulent award or receipt of prizes;  
15 penalty for violating payout requirements.

16 (a) Any person participating in or receiving an award  
17 of prizes in a licensed game of chance under this chapter  
18 knowing the award of prizes is made in a manner disregard-  
19 ing random selection is guilty of a felony punishable by a  
20 fine of not more than ten thousand dollars (\$10,000.00),  
21 imprisonment for not more than five (5) years, or both.  
22 Each violation is a separate offense.

1           (b) Any person who fails to comply with any of the  
2 prize percentage payout requirements of this chapter is  
3 guilty of a felony punishable by a fine of not more than  
4 ten thousand dollars (\$10,000.00), imprisonment for not  
5 more than three (3) years, or both.

6           Section 2. W.S. 6-7-101(a)(iii) by creating a new  
7 subparagraph (G), by creating a new paragraph (ix) and by  
8 renumbering paragraph (ix) as (x), 6-7-102 by creating a  
9 new subsection (c), 9-1-603 by creating a new subsection  
10 (e), 9-1-612(a), 9-1-613 by creating a new subsection (e)  
11 and 9-1-618(b) by creating a new paragraph (iv) are  
12 amended to read:

13           6-7-101. Definitions.

14           (a) As used in this article:

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

20                           (G) GAMES OF CHANCE LICENSED UNDER W.S.  
21 40-19-101 THROUGH 40-19-503.

1            (ix) "PROFESSIONAL GAMBLING DEVICE" MEANS ANY  
2            SLOT MACHINE, VIDEO GAMING MACHINE AND ASSOCIATED EQUIP-  
3            MENT NOT LICENSED UNDER OR OTHERWISE IN COMPLIANCE WITH  
4            W.S. 40-19-101 THROUGH 40-19-503, ROULETTE WHEEL OR OTHER  
5            MACHINE OR DEVICE THE SOLE PURPOSE OF WHICH IS LIMITED TO  
6            PROFESSIONAL GAMBLING ACTIVITIES;

7            ~~(ix)~~(x) "Profit" means benefit other than a  
8            gain, which is realized or unrealized and direct or indi-  
9            rect, including benefits from proprietorship, management  
10           or unequal advantage in a series of transactions.

11           6-7-102. Gambling; professional gambling; possession  
12           of professional gambling device; penalties.

13           (c) ANY PERSON POSSESSING A PROFESSIONAL GAMBLING  
14           DEVICE AS DEFINED UNDER W.S. 6-7-101(a)(ix) COMMITS A FEL-  
15           ONY PUNISHABLE BY IMPRISONMENT FOR NOT MORE THAN THREE (3)  
16           YEARS, A FINE OF NOT MORE THAN THREE THOUSAND DOLLARS  
17           (\$3,000.00), OR BOTH.

18           9-1-603. Duties generally; retention of qualified  
19           practicing attorneys; matters in which county or state is  
20           party or has interest; assistance to county and district  
21           attorneys in felony trials; concurrent authority in prose-  
22           cution of gambling violations.

1           (e) THE ATTORNEY GENERAL SHALL HAVE CONCURRENT  
2 AUTHORITY AND POWERS WITH THE DISTRICT AND COUNTY ATTOR-  
3 NEYS IN THIS STATE IN THE INVESTIGATION AND PROSECUTION OF  
4 ANY CRIMINAL VIOLATION UNDER W.S. 6-7-101 THROUGH 6-7-103  
5 OR 40-19-101 THROUGH 40-19-503. UPON THE FAILURE OR  
6 REFUSAL OF ANY DISTRICT OR COUNTY ATTORNEY TO ACT ON ANY  
7 CRIMINAL VIOLATION OF W.S. 6-7-101 THROUGH 6-7-103 OR  
8 40-19-101 THROUGH 40-19-503, THE ATTORNEY GENERAL MAY  
9 AFTER THOROUGH INVESTIGATION AND A DETERMINATION THAT THE  
10 ACTION IS ADVISABLE, ACT ON BEHALF OF THE COUNTY, STATE OR  
11 ANY AGENCY THEREOF AND THE COST OF INVESTIGATION AND ANY  
12 PROSECUTION ARISING FROM THE INVESTIGATION SHALL BE PAID  
13 OUT OF THE BUDGET OF THE DISTRICT OR COUNTY ATTORNEY FOR  
14 WHICH THE INVESTIGATION AND PROSECUTION IS UNDERTAKEN.

15           9-1-612. Duties of director; director to serve as  
16 state gaming authority; deputy directors; appointment;  
17 duties.

18           (a) The director shall supervise and direct all  
19 activities of the division PRESCRIBED BY THIS ACT AND W.S.  
20 40-19-101 THROUGH 40-19-503 AND SHALL SERVE AS THE STATE  
21 GAMING AUTHORITY. Subject to the written approval of the  
22 attorney general, the director shall prescribe rules and  
23 regulations not inconsistent with law to implement this

1 act AND W.S. 40-19-101 THROUGH 40-19-503. The director is  
2 responsible to the attorney general for the operation of  
3 the division.

4 9-1-613. Division agents; appointment; qualifica-  
5 tions; continuing education; appointment of persons with  
6 specific skills; employment of persons for state gaming  
7 authority responsibilities.

8 (e) IN ACCORDANCE WITH W.S. 40-19-101 THROUGH  
9 40-19-503, THE DIRECTOR SHALL EMPLOY PERSONS POSSESSING  
10 NECESSARY QUALIFICATIONS DETERMINED BY THE DIRECTOR IN  
11 CARRYING OUT DUTIES AND RESPONSIBILITIES OF THE STATE GAM-  
12 ING AUTHORITY.

13 9-1-618. Agents to be safeguarded as peace officers;  
14 general assistance to state, county or local authorities;  
15 investigative duties; enforcement and investigative duties  
16 as state gaming authority.

17 (b) The division shall investigate:

18 (iv) SUSPECTED VIOLATIONS OF W.S. 6-7-101  
19 THROUGH 6-7-103 AND 40-19-101 THROUGH 40-19-503 AND SHALL  
20 AS THE STATE GAMING AUTHORITY, PERFORM ALL DUTIES OF A LAW  
21 ENFORCEMENT OFFICER UNDER W.S. 6-7-101 THROUGH 6-7-103 AND

1 40-19-101 THROUGH 40-19-503.

2 Section 3.

3 (a) To carry out this act for the fiscal year com-  
4 mencing July 1, 1991 and ending June 30, 1992, two million  
5 one hundred ninety-five thousand three hundred thirty-two  
6 dollars (\$2,195,332.00) or as much thereof as is neces-  
7 sary, is appropriated from the general fund to the divi-  
8 sion of criminal investigation within the office of the  
9 attorney general, for the addition of fourteen (14) full-  
10 time positions and necessary support costs.

11 (b) The division shall reimburse the general fund by  
12 the amount appropriated under subsection (a) of this sec-  
13 tion from collections of license fees prescribed by W.S.  
14 40-19-404 and 40-19-405 and from the gross receipts tax  
15 imposed under W.S. 40-19-408(a).

16 (c) In carrying out this act, the division shall pro-  
17 mulgate rules and regulations necessary to implement this  
18 act by January 1, 1992. In addition, the division shall  
19 provide public notice of this act and rules and regula-  
20 tions adopted under this act within at least sixty (60)  
21 days before January 1, 1992.



FISCAL NOTE

| <u>Anticipated REVENUE to:</u> | <u>FY 1992</u>        | <u>FY 1993</u>        | <u>FY 1994</u>        |
|--------------------------------|-----------------------|-----------------------|-----------------------|
| General Fund                   | \$3,521,200.00        | \$3,873,320.00        | \$4,260,652.00        |
| Local Gov't Fund               | 3,521,200.00          | 3,873,320.00          | 4,260,652.00          |
| <b>TOTAL ESTIMATED REVENUE</b> | <b>\$7,042,400.00</b> | <b>\$7,746,640.00</b> | <b>\$8,521,304.00</b> |

| <u>Anticipated COST to:</u> | <u>FY 1992</u>        | <u>FY 1993</u>      | <u>FY 1994</u>      |
|-----------------------------|-----------------------|---------------------|---------------------|
| General Fund                | \$2,195,332.00        | \$698,149.00        | \$733,056.00        |
| <b>TOTAL ESTIMATED COST</b> | <b>\$2,195,332.00</b> | <b>\$698,149.00</b> | <b>\$733,056.00</b> |

| <u>Anticipated SAVINGS to:</u> | <u>FY 1992</u>        | <u>FY 1993</u>        | <u>FY 1994</u>        |
|--------------------------------|-----------------------|-----------------------|-----------------------|
| General Fund                   | \$1,325,868.00        | \$3,175,171.00        | \$3,527,596.00        |
| Local Gov't Funds              | 3,521,200             | 3,873,320.00          | 4,260,652.00          |
| <b>TOTAL ESTIMATED SAVINGS</b> | <b>\$4,847,068.00</b> | <b>\$7,048,491.00</b> | <b>\$7,788,248.00</b> |

| <u>Anticipated Change in Personnel:</u> | <u>FY 1992</u> | <u>FY 1993</u> | <u>FY 1994</u> |
|---|----------------|----------------|----------------|
| Full-Time                               | 14             |                |                |
| Part-Time                               |                |                |                |
| Temporary                               |                |                |                |
| Time-Limited, Other                     |                |                |                |
| <b>TOTAL PERSONNEL IMPACT</b>           | <b>14</b>      |                |                |

This bill contains an appropriation of \$2,195,332 from the General Fund and authorizes fourteen (14) full-time positions.

HB 60