DEPARTMENT OF JUSTICE
SB 84: General Revision of Gambling Laws

Background

Over the past few years, the Gambling Control Division has identified several small legislative changes that are not controversial but do not merit separate legislative requests. The Gaming Advisory Committee also recommended revisions to the laws relating to bonus games and the types of poker that can be played on video gambling machines, and the use of multiple patterns for bingo cards. These proposals are included in this general revision bill.

Summary of Proposals

SB 84 would:

- **Authorize importation of video gambling machines for testing**. Video gambling machines may now be imported by manufacturers only for certain limited purposes, but not for testing. Minor amendments to 23-5-112, -152, -621 and -625 would permit a licensed manufacturer to import machines for testing. This proposal is a result of a group wanting to start a new business that would test video gambling hardware and software.

- **Authorize public display of antique slot machines consistent with other illegal gambling devices.** Antique slot machines may now be publicly displayed only in public museums, which is more restrictive than for other illegal gambling devices. Given the limitations and controls on the possession and sale of antique slot machines, there is no reason to limit the public display of antique slot machines more restrictively than other illegal gambling devices. An amendment to 23-5-153 would make the limitations on the public display of antique slot machines consistent with those contained in 23-5-152(5) for other illegal gambling devices.

- **Authorize the Division to enforce sanctions and civil penalties when license not renewed.** In certain enforcement actions, licensees have allowed their gambling operator's license to lapse, resulting in the dismissal of the action because a gambling license no longer exists. This allows the licensee to then apply for a license in another state or to reapply as a party in another entity without ever having the original enforcement action resolved. Even though the licensee may have committed a major violation, the licensee avoids having a violation on his or her record. This amendment will allow the Division to pursue a violation by a licensee after the license has expired.

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SENATE JUDICIARY
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- **Provide notice and hearing for forfeiture of seized evidence in gambling cases**. In a recent criminal prosecution for illegal gambling, the Division's authority to forfeit seized cash was challenged. While the case was settled before the court decided the issue, the forfeiture statutes need to be amended to specifically provide procedures for notice and hearing when the state seeks to forfeit property used in illegal gambling operations. The changes would also clarify that the proceeds of any liquidation of seized property or cash would be deposited in the special revenue account.

- **Clarify the restrictions on bonus games and poker games allowed on video gambling machines** – Gaming industry representatives have a number of concerns about the Division's narrow interpretation of new games proposed for video gambling machines. The Division has always restricted new games to some form of draw poker, keno or bingo, which are the only games authorized under state law. To address this issue, the Gaming Advisory Council recommended legislation to add other poker games and to spell out how bonus screens must relate to authorized poker and keno games.

- **Allow bingo games to award prizes for more than one pattern** - Bingo operators told the Gambling Advisory Council that Montana's bingo laws are very restrictive. After hearing a number of proposals and surveying bingo operators about potential changes, the one point of consensus was that bingo laws should allow more than one winning pattern on a bingo card. For example, after a player wins with a traditional straight-line pattern on a bingo card, the game could continue and give a prize to the first person to get an "X" or a "picture frame." The multiple-way card is already legal for keno.