

MINUTES OF THE MEETING  
BUSINESS AND INDUSTRY COMMITTEE  
MONTANA STATE SENATE

April 23, 1987

The forty-sixth meeting of the Business and Industry Committee was called to order by Chairman Allen C. Kolstad at 5:45 p.m. on Thursday, April 23, 1987, in Room 410 of the Capitol.

ROLL CALL: All committee members were present except Sen. Hager who was excused. Greg Petesch, Dir., LSD, also attended.

CONSIDERATION OF HOUSE JOINT RESOLUTION NO. 60: Rep. William S. Strizich, House District 41, Great Falls is the chief sponsor of this resolution which requests an interim study of the need for a state mechanism to regulate gambling. It also requires a report to the 51st legislature. Rep. Strizich stated that he became interested in such a resolution because of the problems he has seen come before this Legislature concerning gambling.

PROPOSERS: Rep. Barry Stang, House District 52, St. Regis, stood in support of HJR 60 for the same reasons cited by Rep. Strizich.

OPPOSERS: There were no opposers to HJR 60.

DISCUSSION OF HOUSE JOINT RESOLUTION NO. 60: Sen. Williams asked if they would be investigating calcuttas and Rep. Strizich answered that that could probably come under the general heading of "other forms".

Sen. McLane wanted to know if everyone in the gaming business was in agreement with the resolution and Rep. Strizich answered that he felt what they need to do is look at how things are laid out now, and if everything is going smoothly in a particular area of gaming, then that area will not be addressed.

Sen. Neuman wanted to know if it was their intent to study how gambling might be expanded further or just how they might regulate and tax the system. Rep. Strizich stated that he felt they would simply address the existing forms of gambling. However, it could result in a recommendation to the Legislature that they prohibit gambling. He noted that before gambling was established in Montana, a report was done by the Board of Crime Control, and almost every recommendation made in it was ignored. The inability of

local governments to control gaming sufficiently and the problems of fragmentation are both very evident at this time.

Sen. Boylan noted at one time there was a gaming commission set up by the Legislature, but that all went down the tube. Presently we have a fragmented system of gambling or we could set it up full bore with a gambling commission. Rep. Strizich stated that he believes the gambling that is set up right now is unregulated, and we are going to have to deal with the fact that gambling is here, and it's going to be here. He quoted from a report of the President's Commission on a National Policy for Gambling written in 1976, "Gambling is inevitable. No matter what is said or done by advocates or opponents of gambling ... It is an activity that is practiced or tacitly endorsed by a substantial majority of Americans." That is true of Montanans as well. He noted that he has worked with a number of church people who have opposed a gaming commission, and he feels they have come to the realization that it is necessary to do a thorough job involving the opponents and the proponents to gambling and maybe make it pay back perhaps some of the cost of the problems which may stem from gambling.

Sen. Boylan stated that when you talk to the people in Nevada, they say that in Illinois horseracing has more gambling than the State of Nevada in its entirety.

Chairman Kolstad wanted to know what was meant by the term "state mechanism". Rep. Strizich answered that when he was working on the resolution and talking with the Legislative Council, and the people involved in the gaming industry, the first recommendation was that they establish a new agency. However, Rep. Strizich stated that he felt that a new agency is not needed, but a state level mechanism perhaps in an existing department such as the Department of Revenue or Justice, or some entity in state government.

Sen. Weeding asked why they were concerned with the Indian reservations and Rep. Strizich answered that that issue came up in relation to House Bill 796, and while the state doesn't have much jurisdiction there, it should be looked at as well.

The hearing on House Joint Resolution 60 was closed.

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EXECUTIVE ACTION ON HOUSE JOINT RESOLUTION 60: A MOTION  
by Sen. Thayer that House Joint Resolution No. 60 BE CON-  
CURRED IN, and seconded by Sen. Williams PASSED unani-  
mously.

There being no further business, the meeting was adjourned  
by Chairman Kolstad at 6:00 p.m.

  
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SENATOR ALLEN C. KOLSTAD, CHAIRMAN

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ROLL CALL

*Business & Industry* COMMITTEE

50th LEGISLATIVE SESSION -- 1987

Date 4/23/87

NAME	PRESENT	ABSENT	EXCUSED
ALLEN C. KOLSTAD, CHAIRMAN	✓		
TED NEUMAN, VICE CHAIRMAN	✓		
PAUL BOYLAN	✓		
TOM HAGER			✓
HARRY H. McLANE	✓		
DARRYL MEYER	✓		
GENE THAYER	✓		
MIKE WALKER	✓		
CECIL WEEDING	✓		
BOB WILLIAMS	✓		

Each day attach to minutes.

# STANDING COMMITTEE REPORT

APRIL 23, 1937

MR. PRESIDENT

We, your committee on **BUSINESS AND INDUSTRY**

having had under consideration **HOUSE JOINT RESOLUTION** No. **60**

**THIRD** reading copy ( **BLUE** )  
color

**STRIZICH ( MANNING )**

**A JOINT RESOLUTION REQUESTING AN INTERIM STUDY OF THE NEED TO  
REGULATE GAMBLING**

Respectfully report as follows: That **HOUSE JOINT RESOLUTION** No. **60**

**BE CONCURRED IN**

~~XXXXX~~  
DO PASS

~~XXXXXXXXXX~~  
DO NOT PASS

~~SENATOR ALLEN C. KOLSTAD,~~  
Chairman.