

MINUTES

MONTANA HOUSE OF REPRESENTATIVES 52nd LEGISLATURE - REGULAR SESSION

COMMITTEE ON JUDICIARY

Call to Order: By Chairman Bill Strizich, on April 11, 1991, at 10:15 a.m.

ROLL CALL

Members Present:

Bill Strizich, Chairman (D)
Vivian Brooke, Vice-Chair (D)
Arlene Becker (D)
William Boharski (R)
Dave Brown (D)
Robert Clark (R)
Paula Darko (D)
Budd Gould (R)
Royal Johnson (R)
Vernon Keller (R)
Thomas Lee (R)
Bruce Measure (D)
Charlotte Messmore (R)
Linda Nelson (D)
Jim Rice (R)
Angela Russell (D)
Jessica Stickney (D)
Howard Toole (D)
Tim Whalen (D)
Diana Wyatt (D)

Members Excused: Rep. Boharski, Rep. Rice, and Rep. Russell

Staff Present: John MacMaster, Leg. Council Staff Attorney
Jeanne Domme, Committee Secretary

Please Note: These are summary minutes. Testimony and discussion are paraphrased and condensed.

HEARING ON SB 427 DEPT. OF JUSTICE GAMBLING REG. AND NEW GAMBLING BILL

Presentation and Opening Statement by Sponsor:

SEN. GAGE, SENATE DISTRICT 5, stated that parts of the House bills that dealt with gambling are in SB 427. This bill is a product of a tremendous amount of give and take from all parties

involved. We came to a compromise with this bill and it is in a very fragile state. I would hope that you keep this in mind when going over the bill and when amendments are offered in executive action. I have handed out a summary of the bill and some technical amendments by the Justice Department. **EXHIBIT 1 & 2.** I will let Bob Robinson go over the bill for the committee.

Proponents' Testimony:

Bob Robinson, Administrator - Gambling Control Division, stated there are a couple of areas that I should talk about because they are different. Most of the provisions in this bill were taken from HB 673 and HB 958. In section nine there is a new license section that allows for card room contractor. One area of the bill eliminates a potential problem in section 55. Two other clarifications are in the area of social gambling. One is fishing derbies and the other is wagering on natural occurrences. The amendments handed out by Sen. Gage are mostly technical. The only one that has any substance to it is on page 52, line 10, that changes "may" to "must" in the definition of how a sports pool is run.

The Department of Justice feels it is a good bill and will clarify many things for the next two years and eliminate some of the problems we have had in the past two years.

Harley Warner, Montana Association of Churches, stated several individuals have worked long and hard on reaching the conclusion you see before you. There are some things in this bill as amended that each member agreed to, might have some strong feelings that we don't agree totally with each individual item. This is a compromise bill and therefore we support this bill. It is a good bill. It does not increase gambling in Montana or expand gambling in Montana. We, therefore, rise in support of SB 427.

Opponents' Testimony:

REP. DAILY, HOUSE DISTRICT 69, stated I am testifying against SB 427 for a couple of reasons. One is because of the way sports tabs were incorporated into the bill. Two is because I was never notified that HB 503, which I carried regarding sports tabs, would become part of this compromise bill. You have all heard what sports tabs do but I would like to explain it again in an effort to convince you to amend this bill so they will be included as a legitimate form of gambling in Montana.

Sports tabs and sports pools are very similar. In sports pools there are 100 squares. A person signs a square when they purchase a chance at the board. After the board is full then the winning number is drawn and posted. On a sports tabs board there are 100 tabs. That is the basic difference. The big difference is that on a sports tab board you receive your number when you

buy your tabs and on sports pool you don't know your number until the board is full. HB 503 provided that the person selling the sports tab board is allowed to retain 10% of the payoff for administrative purposes. The reason for this is because when you sell sports tabs there are occasions when you don't sell all the tabs. The purpose of the 10% commission is not for the business or the person selling the board to make a profit, it is to make sure the person won't lose money on the board. I think the group that made the compromise bill deleted this portion simply because they did not understand sports tabs. People don't play sports tabs to make large amounts of money, it just doesn't happen. This is a recreational form of gambling. Usually, if they do make a profit, they may lose that profit on the next tab board they sell. I ask you to amend this bill because there are some amendments I am sure you will adopt for this bill and I ask that this be one of them.

Questions From Committee Members:

REP. BROOKE asked Mr. Robinson if you would address three concerns of mine? Sports tabs, fantasy sports leagues, and tournaments. Mr. Robinson stated originally HB 503 there was a \$1.00 per board tax on the pull tab boards. Basically, we have no idea how many boards are used in Montana. Sports tabs will be operated just like sports pools the way the bill is written now. It provides for 100% of payoffs to the players with the exception of the cost of the board. There is no basis for a tax to be levied. I am not sure that we would really say there is going to be much of an increase in our regulatory responsibility due to these sports tabs or variations of the sports pools. The pools as proposed in SB 427 and in HB 503 as a business come on. It is a way to get someone into your establishment to have a beer or sandwich and play the tabs. They weren't considered a profit making side so we were not in any position to consider suggesting taxing it.

Basically, what fantasy football is an event where people who know each others get together and pick an imaginary ball club and one of them has a mechanism to keep track of points scored, touchdowns, interceptions, all statistics. Usually a prize is all paid out to the players. There is a provision for the house to pay its administrative costs.

In card game tournaments there is a minor fee of \$10 for somebody who applies for a card game in tournament for permit. The can only be held in establishments that already have a live card table already. It allows them to hold a tournament, put a sign up for the public announcing it's time and place. We haven't had any problems with regulating tournaments to this point.

REP. BROOKE said if we retain the bill as it is with sports tabs as they are outlined in SB 427, it is strictly a promotional game. Is that correct? Mr. Robinson said that was not a part of the original compromise that everybody agreed on in SB 427. Sen.

Mazurek said if the sports tabs are going to be legalized then they should be the same style as sports pools and he made the motion to put this in as it is here.

REP. BROOKE stated the Rep. Daily talked about his proposed amendment concerning the sports tabs and the percentage the establishments owner would keep. He used the argument that sometimes the person doesn't sell all the tabs. Would you tell me if the owner doesn't sell all the tabs, wouldn't he have more chance of not having to pay out? Mr. Robinson said the seller would effectively become the buyer of the remaining tabs. He would have the same 1 in 100 chance as anybody else does that is on the board.

REP. BROWN asked REP. DAILY "Do you have any amendments?" REP. DAILY said he did and would give them to Rep. Brown.

REP. BROWN asked REP. DAILY is it the case in your original bill you had a dollar tax on each of the boards to offset the 10% potential loss of the establishment on each of those boards? Also I would ask you to address Rep. Brooks question regarding the tavern having the opportunity to win. REP. DAILY said the bill we had in the House did have a dollar tax on every sports tab board sold in Montana. That fee would be collected by manufacturers in Montana. Sports tab boards are made in Montana. The price of the sports tab board is \$4.00. If you have \$100 pool there would be the possibility the business would make \$5.00 because of the \$4.00 cost of the board and the \$1.00 tax.

As far as Rep. Brooke's concern, there is a possibility that you won't sell all the tabs. There is a possibility the owner may have the winning number. If they sold 5 tabs on a \$100 board and the winning number was in the 5 tabs that were sold, the business would lose \$90. It can work either way.

REP. BROWN asked REP. DAILY to tell the committee what the vote was to bring your bill out of committee in the Senate and put it on the Senate floor for second reading? REP. DAILY said the vote to bring it off was 38 to 12 and that is why this bill is included as part of this compromise. I think the people doing the compromise realized the potential for HB 503 to pass was definitely there.

REP. BECKER asked Harley Warner if the committee amends this bill to include Rep. Daily's amendments concerning HB 503, would you still support this bill. Mr. Warner said he can only speak for the Montana Churches Association. They support the bill as is but he isn't sure they could support the bill with Rep. Daily's amendments.

Closing by Sponsor:

SEN. GAGE stated there is no doubt HB 503 would pass the Senate. All sports pools should be subject to the same type of

regulations. We don't tax other sports pools and we did not feel we should tax the sports tabs.

I would ask the committee to realize that the gambling industry in Montana is very important and prosperous for many people living in our state. We should pass this bill under that realization instead of our own personal views on gambling. Whether you like gambling or not, we cannot afford to remove any of the industry in Montana. Gambling is a good share of economics in Montana. Too many times we do don't view things in the overall picture we use our personal views. Look at this bill as it really is, an important industry in Montana.

EXECUTIVE ACTION ON SB 427

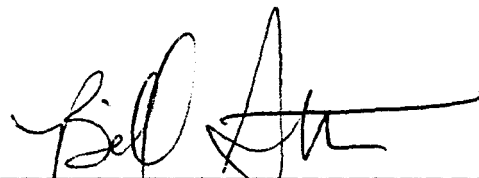
Motion: REP. NELSON MOVED SB 427 DO BE CONCURRED IN.

Motion/Vote: REP. NELSON moved SB 427 be amended. EXHIBIT 1.
Motion carried unanimously.

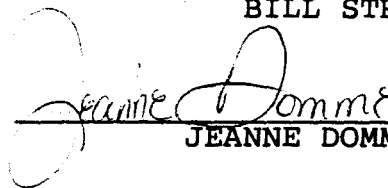
Vote: Motion carried unanimously.

ADJOURNMENT

Adjournment: 11:03 a.m.



BILL STRIZICH, Chair



JEANNE DOMME, Secretary

BS/jmd

HOUSE OF REPRESENTATIVES

JUDICIARY COMMITTEE

ROLL CALL

DATE 4-11-91

NAME	PRESENT	ABSENT	EXCUSED
REP. VIVIAN BROOKE, VICE-CHAIR	/		
REP. ARLENE BECKER	/		
REP. WILLIAM BOHARSKI		/	
REP. DAVE BROWN	/		
REP. ROBERT CLARK	/		
REP. PAULA DARKO	/		
REP. BUDD GOULD	/		
REP. ROYAL JOHNSON	/		
REP. VERNON KELLER	/		
REP. THOMAS LEE	/		
REP. BRUCE MEASURE	/		
REP. CHARLOTTE MESSMORE	/		
REP. LINDA NELSON	/		
REP. JIM RICE		/	
REP. ANGELA RUSSELL		/	
REP. JESSICA STICKNEY	/		
REP. HOWARD TOOLE	/		
REP. TIM WHALEN	/		
REP. DIANA WYATT	/		
REP. BILL STRIZICH, CHAIRMAN	/		

*Jeanne
Honne*

4:10
4-11-91
JDB

HOUSE STANDING COMMITTEE REPORT

April 11, 1991

Page 1 of 2

Mr. Speaker: We, the committee on Judiciary report that
Senate Bill 427 (third reading copy -- blue) be concurred in as
amended .

Signed: 

Bill Strizich, Chairman

Carried by: Rep. Darko

And, that such amendments read:

1. Title, page 2, line 16.

Following: "THE"

Insert: "LIVE CARD GAMES AND"

Following: "KENO"

Strike: "TAX AND PERMIT FEE"

Insert: "LAWS"

2. Page 6, line 25.

Strike: "issued"

Insert: "used"

Following: "PART"

Insert: "5 or"

Strike: "used"

3. Page 7, line 25.

Strike: "sports sweepstakes,"

4. Page 13, line 15.

Strike: "may"

Insert: "shall, upon request,"

5. Page 41, line 4.

Strike: "AT" through "BEFORE"

Insert: "Before"

6. Page 43, line 15.

Following: "home"

Strike: "or" through "center"

7. Page 44, lines 8 and 9.

Strike: ":" on line 8 and "(a)" on line 9

Insert: ","

8. Page 44, lines 14 through 23.

Strike: ";" on line 14 through "services" on line 23

9. Page 51, line 23.

Strike: "PLAYING FOR"

Insert: "purchasing"

10. Page 52, line 10.

Strike: "MAY"

Insert: "must"

11. Page 53, line 3.

Following: "Each"

Strike: "A"

Insert: "Each"

Following: "OR"

Strike: "A"

12. Page 70, line 8.

Strike: the first "SECTION"

Insert: "Sections 4,"

Following: "26"

Insert: ", "

PROPOSED AMENDMENTS TO SENATE BILL NO. 427

(Third reading copy -- blue)
April 8, 1991

1. Page 6, line 25.
Strike: "issued"
Insert: "used"
Following: "PART"
Insert: "5 or "
Strike: "used"
2. Page 7, line 25.
Strike: "sports sweepstakes,"
3. Page 13, line 15.
Strike: "may"
Insert: "shall upon request"
4. Page 41, line 4.
Strike: "AT" through "DAYS"
5. Page 51, line 23.
Strike: "PLAYING FOR"
Insert: "purchasing"
6. Page 52, line 10.
Strike: "MAY"
Insert: "must"
7. Page 53, line 3.
Following: "Each"
Strike: "A"
Insert: "Each"
Following: "OR"
Strike: "A"
8. Page 70, line 8.
Following: "SECTION"
Insert: "4,"
Following: "26"
Insert: ","

EX. 1
4-11-91
HB 427

Lg. Council

1. Page 43, line 15.

Following: "home"

Strike: "or" through "center"

2. Page 44, lines 8 and 9.

Strike: ":" on line 8 and "(a)" on line 9

Insert: ", "

3. Page 44, lines 14 through 23.

Strike: ":" on line 14 through "services" on line 23

SUMMARY OF SENATE BILL NO. 427
(Third reading copy -- blue)

Prepared by the Gambling Control Division
April 9, 1991

SECTION 1 amends the general definition section of the gambling laws to:

- (1) define a card game tournament (23-5-112(7), MCA);
- (2) exclude a promotional game of chance from the definition of gambling (23-5-112(11), MCA);
- (3) provide specific examples of illegal gambling devices and illegal gambling enterprises (23-5-112(15) and (16), MCA);
- (4) define a nonprofit organization (23-5-112(24), MCA);
- (5) define a promotional game of chance as a scheme for disposing of property by chance among persons who have not paid or are not expected to pay valuable consideration or who have not purchased or are not expected to purchase any goods or services for a chance to obtain the property (23-5-112(29), MCA);
- (6) expand the definition of public gambling (23-5-112(30), MCA); and
- (7) revise the definition of raffle (23-5-112(31), MCA).

SECTION 2 amends 23-5-113, MCA, to allow a court to order, upon conviction for a gambling violation, the forfeiture of property seized by a Department of Justice agent during a lawful search.

SECTION 3 amends 23-5-115, MCA, to permit the Department of Justice to disclose certain information obtained in the gambling application or tax reporting processes as provided in section 4.

SECTION 4 is a new code section addressing the authority of the Department of Justice to disclosure information. Subsection (1) permits the Department to disclose the following information from a license or permit application:

- (1) the applicant's name;
- (2) the address of the business where the activity under the license or permit is to be conducted;
- (3) the name of each person having an ownership interest in the business; and
- (4) types of permits requested by the applicant.

Subsection (2) permits the Department to disclose the above information plus any other relevant information to:

- (1) a federal, state, city, county, or tribal criminal justice agency; or
- (2) the Montana Department of Revenue or the federal Internal Revenue Service.

SECTION 5 amends 23-5-152, MCA, to make it a misdemeanor offense to operate an illegal gambling enterprise. The section further provides that an illegal gambling device may be possessed or located for display purposes only in:

- (1) a public or private museum; or
- (2) any other public place if the device has been permanently disabled for purposes of conducting a gambling activity.

SECTION 6 amends 23-5-177, MCA, to:

- (1) require the Department of Justice to approve the premises in which the gambling activity is to be conducted before issuing an operator's license;
- (2) prohibit the Department from issuing more than one operator's license per premises, regardless of the number of on-premises alcoholic beverage licenses that have been issued for the premises; and
- (3) impose a one-time operator's license application processing fee for applications submitted on or after July 1, 1991, to cover the cost incurred by the Department in determining whether the applicant qualifies for licensure.

SECTION 7 is a new code section addressing "license stacking". It establishes requirements that a premises must meet before the Department of Justice may issue an operator's license.

Subsection (4) contains a temporary "grandfather" clause for a premises that does not meet the premises approval requirements. Under this provision, a premises that does not meet the requirements but was issued a second operator's license on or before January 1, 1991, may continue to operate until June 30, 1996, and then must come under compliance. Likewise, a person who had applied for a second operator's license on or before January 1, 1991, for a premises that does not meet the premises approval requirements may be issued a license until June 30, 1996, if:

(1) a second on-premises alcoholic beverages license for the premises was obtained on or before January 1, 1991; and

(2) substantial physical modifications to the premises were completed on or before January 1, 1991.

SECTION 8 is a new code section requiring an operator to notify the Department of Justice before transferring any ownership interest in his premises.

SECTION 9 is a new code section establishing a card room contractor license for a person who enters into an agreement with a licensed operator to operate card game tables on the operator's premises.

SECTION 10 is a new code section that permits the Department of Justice or local law enforcement officials to inspect a premises where a gambling activity is being conducted or a facility where gambling devices are manufactured or distributed.

SECTION 11 is a new code section requiring a person who manufactures or supplies electronic bingo or keno equipment to obtain an annual manufacturer's license from the Department of Justice. The license fee is \$1,000. In addition to the license fee, the Department may charge a one-time application fee to cover the cost of processing the original license. The license and processing fees are retained by the Department for administrative purposes.

SECTION 12 is a new code section requiring a licensed manufacturer to submit to the Department of Justice for examination a prototype of any electronic bingo or keno equipment intended for use in the state. The manufacturer must pay the anticipated examination costs. After completing the examination, the Department may approve, disapprove, or conditionally approve use of the equipment.

SECTION 13 is a new code section authorizing the Department of Justice to adopt rules describing the electronic bingo and keno equipment that may be approved for use in the state.

SECTION 14 is a new code section defining the term "casino night".

SECTION 15 is a new code section authorizing a nonprofit organization to conduct a casino night that may offer the following gambling activities:

- (1) live card games authorized under 23-5-311, MCA (bridge, cribbage, hearts, panguingue, pinochle, pitch, poker, rummy, solo, and whist);
- (2) live bingo and keno games; and
- (3) raffles.

SECTION 16 is a new code section describing the process for applying for a casino night permit. The permit fee is \$25.

SECTION 17 is a new code section authorizing the Department of Justice to issue to a nonprofit organization one casino night permit per year. The permit fee is retained by the Department for administrative purposes.

SECTION 18 is a new code section imposing certain requirements on conducting casino nights (e.g., maximum duration of 12 hours, merchandise prizes only, etc.).

SECTION 19 is a new code section exempting gambling activities conducted during a casino night from the licensure and other regulatory requirements imposed on live card games, live

bingo, live keno, and raffles.

SECTION 20 is a new code section authorizing the Department of Justice to adopt rules to administer the casino night provisions.

SECTION 21 is a new code section defining a "fantasy sports league".

SECTION 22 is a new code section legalizing the conducting of fantasy sports leagues.

SECTION 23 is a new code section that applies certain restrictions on conducting a fantasy sports league.

SECTION 24 is a new code section prohibiting sports betting in conjunction with fantasy sports leagues.

SECTION 25 is a new code section providing that a violation of the fantasy sports league statutes is a misdemeanor offense.

SECTION 26, which amends 23-5-114, MCA, clarifies provisions concerning prohibited activities for Department of Justice employees and former employees. The section prohibits a designated employee from participating in a gambling activity regulated by the Department or from being employed by a licensed operator in any capacity involving the conduct of a gambling activity regulated by the Department.

SECTION 27 amends 23-5-136, MCA, to permit the Department of Justice to issue a warrant for distraint against an operator who fails to pay a civil penalty imposed by the Department or the video gambling machine or live bingo or keno tax. When issuing and executing a warrant, the Department must follow the same procedural requirements imposed on the Department of Revenue in 15-1-701 through 15-1-709, MCA. The section also provides that the local government portion of penalty payments is statutorily appropriated.

SECTION 28 amends 23-5-153, MCA, to permit a person or entity who may legally possess an antique slot machine (i.e., private individual, public museum, or licensed manufacturer-distributor) to sell the machine to another person or entity who may legally possess one. It also allows a person to commercially sell antique slot machines after obtaining a license from the Department of Justice.

SECTION 29 amends 23-5-154, MCA, to make it a misdemeanor to solicit another person to participate in an illegal gambling enterprise.

SECTION 30 amends 23-5-156, MCA, to clarify that it is a criminal offense for a person in an activity involving gambling to obtain anything of value by misrepresentation, fraud, or the use of an illegal gambling device or enterprise.

SECTION 31 amends 23-5-158, MCA, to prohibit a minor from participating in all forms of gambling except noncommercial raffles.

SECTION 32 amends 23-5-162, MCA, to require the Department of Justice to revoke all gambling licenses and permits issued to a person convicted of a felony gambling offense.

SECTION 33 amends 23-5-176, MCA, to prohibit the Department of Justice from issuing a gambling license to an applicant who has been convicted of a felony offense within five years of application or is on probation, parole, or deferred prosecution for committing a felony offense. In addition, the Department may deny a license or permit to an applicant who has falsified a license or permit application. The section also provides that certain statutes relating to occupational licensing do not apply to issuance of a gambling license.

SECTION 34 is a new code section that makes it a misdemeanor for a gambling licensee to sell, assign, lease, or transfer a gambling license or permit.

SECTION 35 amends 23-5-308, MCA, to require a card dealer's license only if a person intends to deal cards in a game of panguingue or poker. The section also provides that submission by certified mail of a completed application and annual license fee constitutes a temporary license.

SECTION 36 amends 23-5-309, MCA, to permit a card game conducted as part of a tournament to be played on a table that does not have a live card game permit. The section also requires only a game of panguingue or poker to be played under the control of a licensed dealer.

SECTION 37 is a new code section providing for card game tournaments. Under this section, a licensed operator who has a permit for placing at least one live card game table on his premises may conduct up to 12 tournaments a year. Each tournament may last no more than 5 consecutive days. An operator must obtain a permit from the Department of Justice before conducting a tournament. The permit fee is \$10.

SECTION 38 amends 23-5-406, MCA, to clarify existing exemptions to the live bingo and keno permit fee and tax. In addition, an exemption from payment of the permit and tax is extended to: (1) fraternal and veterans' organizations granted an exemption under 26 U.S.C. 501(c)(8) or (c)(19); (2) nursing homes; (3) retirement homes; and (4) senior citizen centers.

SECTION 39 amends 23-5-407, MCA, to reduce the permit fee for live bingo and keno games from \$500 to \$250.

SECTION 40 amends 23-5-409, MCA, to eliminate the tax of five percent on the net income from live bingo and keno games. Under this revision, an operator would be required to pay a tax of one percent of the gross proceeds from the games.

SECTION 41 amends 23-5-412, MCA, to authorize the use of way tickets in keno games, subject to the statutory bet and payout limits. Way tickets permit a player to select three or

more numbers on a single card, place bets on various combinations of these numbers, and receive payouts on winning combinations.

SECTION 42 amends 23-5-413, MCA, to rearrange and clarify certain raffle provisions. It also prohibits a board of county commissioners from charging a permit fee or an investigative fee for a raffle conducted by a religious corporation sole or nonprofit organization. In addition, the section requires a person or organization, other than a religious corporation sole or nonprofit organization, to own in advance of ticket sales all prizes to be awarded as part of the raffle.

SECTION 43 amends 23-5-501, MCA, by striking the definition of "nonprofit organization"; this definition is included in the amendments to 23-5-112, MCA. It also broadens the definition of "sports pool" by eliminating reference to a card divided into squares or spaces with the names of the participants written within the squares or spaces. In addition, the terms "sports tab" and "sports tab game" are defined.

SECTION 44 is a new code section that sets criteria for the design of a sports pool and authorizes the Department of Justice to adopt rules describing authorized sports pools.

SECTION 45 amends 23-5-503, MCA, to limit the maximum bet and payouts to \$5 and \$500, respectively, for sports pools and sports tab games. The winner of a sports tab game must receive a 100 percent payout of the value of the game, less the operator's cost of purchasing the game. This section also places certain prohibitions on persons or organizations conducting a sports pool or sports tab game to ensure that the pool or game is used as a trade stimulant only.

SECTION 46 amends 23-5-603, MCA, to require video gambling machines to be placed in a room in which alcoholic beverages are sold or consumed and within control of the operator.

SECTION 47 amends 23-5-610, MCA, to change the name of the video gambling machine

tax from a net income tax to a gross income tax. It also allows a deduction for theft for purposes of calculating the tax.

SECTION 48 amends 23-5-611, MCA, to remove the 10-machine limit on draw poker machines. The cap of 20 video gambling machines per premises is retained.

SECTION 49 amends 23-5-612, MCA, to require video gambling machine permits to be prorated on a quarterly basis.

SECTION 50 amends 23-5-625, MCA, to prohibit a manufacturer-distributor from selling a video gambling machine to any person other than another manufacturer-distributor or an operator. It also provides that an operator or a lien holder (e.g., a financial institution) may sell machines subject to certain restrictions.

SECTION 51 amends 23-5-631, MCA, to provide that payments received by the Department of Justice from manufacturer-distributors for testing new video gambling machines are statutorily appropriated.

SECTION 52 amends 17-7-502, MCA, to statutorily appropriate to the Department of Justice: (1) the local government portion of penalty payments for deposit in the county or municipal treasury; and (2) the video gambling machine testing payments.

SECTION 53 amends 2-15-2021, MCA, to require the Department of Justice and the Gaming Advisory Council to submit biennial, rather than annual, reports.

SECTION 54 amends 23-5-602, MCA, to rename "net machine income" as "gross income" for purposes of calculating the video gambling machine tax.

SECTION 55 is a new code section that authorizes two gambling activities:

- (1) fishing derbies; and

(2) wagering on natural occurrences.

SECTION 56 amends 23-5-502, MCA, to authorize sports tab games.

SECTION 57 is a new code section indicating where the new sections of the bill are to be codified within current law.

SECTION 58 is a new code section providing that all sections of the bill, except sections 26 (prohibited activities for Department of Justice employees) and this section, are effective July 1, 1991. Section 26 and this section are effective on passage and approval.

sb427rev2.sum/lm

HOUSE OF REPRESENTATIVES

VISITOR'S REGISTER

House Judiciary

COMMITTEE

BILL NO.

SB 427

DATE

4-11-91

SPONSOR(S)

SEN. Gage

PLEASE PRINT

PLEASE PRINT

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NAME AND ADDRESS	REPRESENTING	BILL	OPPOSE	SUPPORT
HARLEY WARNER Box 745, Helena 59670	MONTANA ASSOC. OF CHURCHES	427		X
CHARLES W. WACK	MNA			
Mike Voeller	Lee Enterprises	427		✓
John P. Porter	Mont. Coin. Op. Assn.	427		✓
LARRY AKEY	GAMING INDUSTRY ASSOC.	427		
Gary Bennett	LLC LLC Inc	427		2
Joe Roberts	Don't Gamble With The Future	427		X

PLEASE LEAVE PREPARED TESTIMONY WITH SECRETARY. WITNESS STATEMENT FORMS ARE AVAILABLE IF YOU CARE TO SUBMIT WRITTEN TESTIMONY.