

HOUSE BILL NO. 573

INTRODUCED BY MCCORMICK, PAVLOVICH, DAILY, NISBET, BACHINI

BY REQUEST OF THE COMMITTEE ON BUSINESS AND
ECONOMIC DEVELOPMENT

IN THE HOUSE

FEBRUARY 4, 1989	INTRODUCED AND REFERRED TO COMMITTEE ON BUSINESS & ECONOMIC DEVELOPMENT.
	FIRST READING.
FEBRUARY 10, 1989	COMMITTEE RECOMMEND BILL DO PASS. REPORT ADOPTED.
FEBRUARY 11, 1989	PRINTING REPORT.
FEBRUARY 13, 1989	SECOND READING, DO PASS.
FEBRUARY 14, 1989	ENGROSSING REPORT.
FEBRUARY 15, 1989	THIRD READING, PASSED. AYES, 82; NOES, 16.
	TRANSMITTED TO SENATE.

IN THE SENATE

FEBRUARY 16, 1989	INTRODUCED AND REFERRED TO COMMITTEE ON BUSINESS & INDUSTRY.
	FIRST READING.
MARCH 8, 1989	COMMITTEE RECOMMEND BILL BE CONCURRED IN AS AMENDED. REPORT ADOPTED.
MARCH 9, 1989	SECOND READING, CONCURRED IN.
MARCH 11, 1989	THIRD READING, CONCURRED IN. AYES, 36; NOES, 8.
	RETURNED TO HOUSE WITH AMENDMENTS.

IN THE HOUSE

MARCH 13, 1989

RECEIVED FROM SENATE.

SECOND READING, AMENDMENTS
CONCURRED IN.

MARCH 14, 1989

THIRD READING, AMENDMENTS
CONCURRED IN.

SENT TO ENROLLING.

REPORTED CORRECTLY ENROLLED.

1 *HOUSE* BILL NO. *573*
2 INTRODUCED BY *Nisbet* *Carlson* *Duffy*
3 BY REQUEST OF THE COMMITTEE ON BUSINESS AND *Laflamme*
4 ECONOMIC DEVELOPMENT

5
6 A BILL FOR AN ACT ENTITLED: "AN ACT ALLOWING MACHINE
7 MANUFACTURER BILL ACCEPTORS ON VIDEO DRAW POKER AND KENO
8 MACHINES; AMENDING SECTIONS 23-5-606 AND 23-5-609, MCA; AND
9 PROVIDING AN IMMEDIATE EFFECTIVE DATE."

10
11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

12 **Section 1.** Section 23-5-606, MCA, is amended to read:

13 "23-5-606. Description and specifications. Each video
14 draw poker machine must:

15 (1) be inspected in the state of Montana for
16 certification and licensure by the department;

17 (2) be connected with a system consisting of
18 player-operated terminals. The terminals must be intelligent
19 devices operated by the players in the manner specified in
20 this part.

21 (3) not have any switches, jumpers, wire posts, or any
22 other means of manipulation that could affect the operation
23 or outcome of a game;

24 (4) offer only the game of draw poker and have the
25 following method of operation:

1 (a) the cards must be shuffled after each hand of
2 poker is dealt;

3 (b) the game must have one memory location for each
4 card in the deck. The deck must be shuffled by use of a
5 random number generator to exchange each card in the deck
6 with another randomly selected card.

7 (c) after shuffling, five cards must be dealt from the
8 top of the deck;

9 (d) any discarded cards must be replaced by remaining
10 cards in the deck, starting with the sixth card and using
11 the cards in the order of the deck;

12 (e) after the first five cards of a hand have been
13 dealt, the player may be allowed to raise his wager up to
14 the amount of his initial ante, not to exceed eight
15 quarters;

16 (f) each quarter must represent one credit;

17 (g) the game must display the hands for which free
18 games or credits will be awarded and the number of free
19 games or credits for each hand;

20 (h) the machine must have doors to two locking areas,
21 one area containing the logic board and software for the
22 game draw poker and the other housing the cash compartment
23 and mechanical meters. These areas must be locking and
24 separated. Access to one from the other must not be allowed
25 at any time.

(i) (i) the machine must have two mechanisms, hereinafter referred to as "mechanism 1" and "mechanism 2", that accept quarters;

(ii) the machine may have a machine manufacturer mechanism that accepts cash in the form of bills not to exceed \$5;

(j) the machine must use a color display with images of cards that closely resemble standard poker playing cards;

(k) the machine must be capable of printing a ticket voucher for the player at the completion of each game. If credits are owed the player, a valid ticket must contain:

(i) the name of the licensed establishment;

(ii) the name of the city, town, or county in which the licensed establishment is located;

(iii) the value of the prize in numbers;

(iv) the value of the prize in words;

(v) the time of day, in hours and minutes in a 24-hour format;

(vi) the date;

(vii) the machine license number or serial number up to eight digits;

(viii) the sequential number of the ticket voucher; and

(ix) an encrypted validation number from which the validity of the prize can be determined;

(l) an exact copy of each printed ticket voucher must

be printed and retained within the machine;

(m) the machine must have nonresettable mechanical meters housed in a readily accessible area that keep a permanent record of:

(i) total coins accepted by both coin acceptors;

(ii) total credits in the bill acceptor if the machine has a bill acceptor;

(iii) credits played by player;

(iv) credits won by player; and

(v) credits printed out by the ticket voucher printer;

(n) the machine must contain electronic metering, using meters that record the following and display them on the video screen:

(i) total coins in accepted by mechanism 1 and mechanism 2 combined, total coins-in-mechanism-2 credits in the bill acceptor, and total coins--in--mechanisms credits accepted by mechanism 1, and mechanism 2, and the bill acceptor combined;

~~{ii}-if-the-machine-has-a-bill-acceptor,-it-must contain-electronic-metering-using-meters-that-record-total coins-in-mechanisms-1-and-2-combined-and-total-credits-in the-bill-acceptor;~~

~~{iii}{ii}~~ total credits, total credits played, and total credits won;

~~{iv}{iii}~~ total hands of poker played and total hands

1 of poker won;

2 ~~(v)~~(iv) total winning hands, consisting of a pair, two

3 pair, three of a kind, a straight, a flush, a full house,

4 four of a kind, a straight flush, or five of a kind;

5 ~~(v)~~(v) total errors from the logic board random

6 access memory; and

7 ~~(vii)~~(vi) total examination of electronic meters;

8 (o) the machine may not have any functions or

9 parameters adjustable by or through any separate video

10 display or input codes, except for the adjustment of

11 features that are wholly cosmetic;

12 (p) the machine must issue, by activation of an

13 external switch, an accounting ticket containing a

14 performance synopsis of the machine. The ticket must

15 contain:

16 (i) the name of the licensed establishment;

17 (ii) the name of the city, town, or county in which the

18 licensed establishment is located;

19 (iii) the license number of the machine;

20 (iv) the time of day, in hours and minutes in a 24-hour

21 format;

22 (v) the date; and

23 (vi) the electronic meter readings required by

24 subsection (4)(n); and

25 (5) have a serial number or other identification

1 number permanently affixed to the machine by the

2 manufacturer."

3 **Section 2.** Section 23-5-609, MCA, is amended to read:

4 **"23-5-609. Keno machine specifications.** Each keno

5 machine must:

6 (1) be inspected in the state of Montana for

7 certification and licensure by the department;

8 (2) be connected with a system consisting of

9 player-operated terminals. The terminals must be intelligent

10 devices operated by the players in the manner specified in

11 this part.

12 (3) not have any switches, jumpers, wire posts, or any

13 other means of manipulation that could affect the operation

14 or outcome of a game; and

15 (4) offer only the game of keno and have the following

16 method of operation:

17 (a) the numbers must be mixed after each game is

18 played;

19 (b) the game must have one memory location for each

20 number. The numbers must be mixed by use of a random number

21 generator.

22 (c) each game must have a field of numbers from 1 to

23 75 or 1 to 80 for each game of keno or bingo that is played.

24 There must be at least 20 numbers drawn in each game.

25 (d) the game must display the number of spaces picked

1 for which free games or credits will be awarded and the
2 number of free games or credits for each game;

3 (e) the machine must have doors to two or more locking
4 areas, one area containing the logic board and software for
5 the game of keno and the others housing the cash compartment
6 and mechanical meters. These areas must be locking and
7 separated. Access to one from the other must not be allowed
8 at any time.

9 (f) the machine must have two mechanisms, hereinafter
10 referred to as "mechanism 1" and "mechanism 2", that accept
11 quarters. The machine may have a machine manufacturer
12 mechanism that accepts cash in the form of bills not to
13 exceed \$5.

14 (g) each quarter must represent one credit;

15 (h) the game must display the combinations for which
16 free games or credits will be awarded and the number of free
17 games or credits for each combination;

18 (i) the machine must be capable of printing a ticket
19 voucher for the player at the completion of each game. If
20 credits are owed the player, the ticket must contain:

21 (i) the name of the licensed establishment;

22 (ii) the name of the city, town, or county in which the
23 licensed establishment is located;

24 (iii) the value of the prize in numbers;

25 (iv) the value of the prize in words;

1 (v) the time of day, in hours and minutes in a 24-hour
2 format;

3 (vi) the date;

4 (vii) the machine license number or serial number up to
5 eight digits;

6 (viii) the sequential number of the ticket voucher; and

7 (ix) an encrypted validation number from which the
8 validity of the prize can be determined;

9 (j) an exact copy of each printed ticket voucher must
10 be printed and retained within the machine;

11 (k) the machine must have nonresettable mechanical
12 meters housed in the cash compartment that keep a permanent
13 record of:

14 (i) total credits in the bill acceptor, if the machine
15 has a bill acceptor;

16 ~~††~~(ii) total coins accepted by both coin acceptors;

17 ~~†††~~(iii) credits played by player;

18 ~~††††~~(iv) credits won by player; and

19 ~~††††~~(v) credits printed out by the ticket voucher
20 printer;

21 (l) the machine must contain electronic metering,
22 using meters that record the following and display them on
23 the video screen:

24 (i) total coins in accepted by mechanism 1 and
25 mechanism 2 combined, total coins credits in the bill

1 acceptor, and total credits accepted by mechanism 1,
 2 mechanism 2, and total-coins-in-mechanisms-1-and-2 the bill
 3 acceptor combined;

4 ~~{ii}-if-the-machine-has-a-bill-acceptor,-it-must~~
 5 ~~contain-electronic-metering-using-meters-that-record-total~~
 6 ~~coins-in-mechanisms-1-and-2-combined-and-total-credits-in~~
 7 ~~the-bill-acceptor;~~

8 {iii}{ii} total credits, total credits played, and
 9 total credits won;

10 {iv}{iii} total games of keno played and total games of
 11 keno won;

12 {v}{iv} total errors from the logic board random access
 13 memory; and

14 {vi}{v} total examination of electronic meters;

15 (m) the machine may not have any functions or
 16 parameters adjustable by or through any separate video
 17 display or input codes, except for the adjustment of
 18 features that are wholly cosmetic;

19 (n) the machine must issue, by activation of an
 20 external switch, an accounting ticket containing a
 21 performance synopsis of the machine. The ticket must
 22 contain:

23 (i) the name of the licensed establishment;

24 (ii) the name of the city, town, or county in which the
 25 licensed establishment is located;

1 (iii) the license number of the machine;

2 (iv) the time of day, in hours and minutes in a 24-hour
 3 format;

4 (v) the date; and

5 (vi) the electronic meter readings required by
 6 subsection (4)(1)."

7 NEW SECTION. Section 3. Extension of authority. Any
 8 existing authority to make rules on the subject of the
 9 provisions of [this act] is extended to the provisions of
 10 [this act].

11 NEW SECTION. Section 4. Effective date. [This act] is
 12 effective on passage and approval.

-End-

APPROVED BY COMM. ON BUSINESS
AND ECONOMIC DEVELOPMENT

1 *HOUSE BILL NO. 573*
2 INTRODUCED BY *Mr. Carlini* *Carlvin Daily*
3 *Nisbet* BY REQUEST OF THE COMMITTEE ON BUSINESS AND *Boyd*
4 ECONOMIC DEVELOPMENT
5

6 A BILL FOR AN ACT ENTITLED: "AN ACT ALLOWING MACHINE
7 MANUFACTURER BILL ACCEPTORS ON VIDEO DRAW POKER AND KENO
8 MACHINES; AMENDING SECTIONS 23-5-606 AND 23-5-609, MCA; AND
9 PROVIDING AN IMMEDIATE EFFECTIVE DATE."
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16 certification and licensure by the department;

17 (2) be connected with a system consisting of
18 player-operated terminals. The terminals must be intelligent
19 devices operated by the players in the manner specified in
20 this part.

21 (3) not have any switches, jumpers, wire posts, or any
22 other means of manipulation that could affect the operation
23 or outcome of a game;

24 (4) offer only the game of draw poker and have the
25 following method of operation:

1 (a) the cards must be shuffled after each hand of
2 poker is dealt;

3 (b) the game must have one memory location for each
4 card in the deck. The deck must be shuffled by use of a
5 random number generator to exchange each card in the deck
6 with another randomly selected card.

7 (c) after shuffling, five cards must be dealt from the
8 top of the deck;

9 (d) any discarded cards must be replaced by remaining
10 cards in the deck, starting with the sixth card and using
11 the cards in the order of the deck;

12 (e) after the first five cards of a hand have been
13 dealt, the player may be allowed to raise his wager up to
14 the amount of his initial ante, not to exceed eight
15 quarters;

16 (f) each quarter must represent one credit;

17 (g) the game must display the hands for which free
18 games or credits will be awarded and the number of free
19 games or credits for each hand;

20 (h) the machine must have doors to two locking areas,
21 one area containing the logic board and software for the
22 game draw poker and the other housing the cash compartment
23 and mechanical meters. These areas must be locking and
24 separated. Access to one from the other must not be allowed
25 at any time.

SECOND READING

-2-

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1 (i) (i) the machine must have two mechanisms,
 2 hereinafter referred to as "mechanism 1" and "mechanism 2",
 3 that accept quarters;
 4 (ii) the machine may have a machine manufacturer
 5 mechanism that accepts cash in the form of bills not to
 6 exceed \$5;
 7 (j) the machine must use a color display with images
 8 of cards that closely resemble standard poker playing cards;
 9 (k) the machine must be capable of printing a ticket
 10 voucher for the player at the completion of each game. If
 11 credits are owed the player, a valid ticket must contain:
 12 (i) the name of the licensed establishment;
 13 (ii) the name of the city, town, or county in which the
 14 licensed establishment is located;
 15 (iii) the value of the prize in numbers;
 16 (iv) the value of the prize in words;
 17 (v) the time of day, in hours and minutes in a 24-hour
 18 format;
 19 (vi) the date;
 20 (vii) the machine license number or serial number up to
 21 eight digits;
 22 (viii) the sequential number of the ticket voucher; and
 23 (ix) an encrypted validation number from which the
 24 validity of the prize can be determined;
 25 (l) an exact copy of each printed ticket voucher must

1 be printed and retained within the machine;
 2 (m) the machine must have nonresettable mechanical
 3 meters housed in a readily accessible area that keep a
 4 permanent record of:
 5 (i) total coins accepted by both coin acceptors;
 6 (ii) total credits in the bill acceptor if the machine
 7 has a bill acceptor;
 8 (iii) credits played by player;
 9 (iv) credits won by player; and
 10 (v) credits printed out by the ticket voucher printer;
 11 (n) the machine must contain electronic metering,
 12 using meters that record the following and display them on
 13 the video screen:
 14 (i) total coins in accepted by mechanism 1 and
 15 mechanism 2 combined, total coins-in-mechanism-2 credits in
 16 the bill acceptor, and total coins--in--mechanisms credits
 17 accepted by mechanism 1, and mechanism 2, and the bill
 18 acceptor combined;
 19 ~~{ii}-if-the-machine-has-a-bill-acceptor-it-must~~
 20 ~~contain-electronic-metering-using-meters-that-record-total~~
 21 ~~coins-in-mechanisms-1-and-2-combined-and-total-credits-in~~
 22 ~~the-bill-acceptor;~~
 23 ~~{iii}~~(ii) total credits, total credits played, and
 24 total credits won;
 25 ~~{iv}~~(iii) total hands of poker played and total hands

1 of poker won;

2 {v+}(iv) total winning hands, consisting of a pair, two

3 pair, three of a kind, a straight, a flush, a full house,

4 four of a kind, a straight flush, or five of a kind;

5 {v+}(v) total errors from the logic board random

6 access memory; and

7 {vii}(vi) total examination of electronic meters;

8 (o) the machine may not have any functions or

9 parameters adjustable by or through any separate video

10 display or input codes, except for the adjustment of

11 features that are wholly cosmetic;

12 (p) the machine must issue, by activation of an

13 external switch, an accounting ticket containing a

14 performance synopsis of the machine. The ticket must

15 contain:

16 (i) the name of the licensed establishment;

17 (ii) the name of the city, town, or county in which the

18 licensed establishment is located;

19 (iii) the license number of the machine;

20 (iv) the time of day, in hours and minutes in a 24-hour

21 format;

22 (v) the date; and

23 (vi) the electronic meter readings required by

24 subsection (4)(n); and

25 (5) have a serial number or other identification

1 number permanently affixed to the machine by the

2 manufacturer."

3 **Section 2.** Section 23-5-609, MCA, is amended to read:

4 **"23-5-609. Keno machine specifications.** Each keno

5 machine must:

6 (1) be inspected in the state of Montana for

7 certification and licensure by the department;

8 (2) be connected with a system consisting of

9 player-operated terminals. The terminals must be intelligent

10 devices operated by the players in the manner specified in

11 this part.

12 (3) not have any switches, jumpers, wire posts, or any

13 other means of manipulation that could affect the operation

14 or outcome of a game; and

15 (4) offer only the game of keno and have the following

16 method of operation:

17 (a) the numbers must be mixed after each game is

18 played;

19 (b) the game must have one memory location for each

20 number. The numbers must be mixed by use of a random number

21 generator.

22 (c) each game must have a field of numbers from 1 to

23 75 or 1 to 80 for each game of keno or bingo that is played.

24 There must be at least 20 numbers drawn in each game.

25 (d) the game must display the number of spaces picked

1 for which free games or credits will be awarded and the
2 number of free games or credits for each game;

3 (e) the machine must have doors to two or more locking
4 areas, one area containing the logic board and software for
5 the game of keno and the others housing the cash compartment
6 and mechanical meters. These areas must be locking and
7 separated. Access to one from the other must not be allowed
8 at any time.

9 (f) the machine must have two mechanisms, hereinafter
10 referred to as "mechanism 1" and "mechanism 2", that accept
11 quarters. The machine may have a machine manufacturer
12 mechanism that accepts cash in the form of bills not to
13 exceed \$5.

14 (g) each quarter must represent one credit;

15 (h) the game must display the combinations for which
16 free games or credits will be awarded and the number of free
17 games or credits for each combination;

18 (i) the machine must be capable of printing a ticket
19 voucher for the player at the completion of each game. If
20 credits are owed the player, the ticket must contain:

- 21 (i) the name of the licensed establishment;
- 22 (ii) the name of the city, town, or county in which the
- 23 licensed establishment is located;
- 24 (iii) the value of the prize in numbers;
- 25 (iv) the value of the prize in words;

1 (v) the time of day, in hours and minutes in a 24-hour
2 format;

3 (vi) the date;

4 (vii) the machine license number or serial number up to
5 eight digits;

6 (viii) the sequential number of the ticket voucher; and
7 (ix) an encrypted validation number from which the
8 validity of the prize can be determined;

9 (j) an exact copy of each printed ticket voucher must
10 be printed and retained within the machine;

11 (k) the machine must have nonresettable mechanical
12 meters housed in the cash compartment that keep a permanent
13 record of:

14 (i) total credits in the bill acceptor, if the machine
15 has a bill acceptor;

16 {i}{ii} total coins accepted by both coin acceptors;

17 {ii}{iii} credits played by player;

18 {iii}{iv} credits won by player; and

19 {iv}{v} credits printed out by the ticket voucher
20 printer;

21 (l) the machine must contain electronic metering,
22 using meters that record the following and display them on
23 the video screen:

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25 mechanism 2 combined, total coins credits in the bill

1 acceptor, and total credits accepted by mechanism 1,
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4 ~~{ii}-if-the-machine-has-a-bill-acceptor;--it--must~~
 5 ~~contain--electronic--metering-using-meters-that-record-total~~
 6 ~~coins-in-mechanisms-1-and-2-combined-and--total--credits--in~~
 7 ~~the-bill-acceptor;~~

8 ~~{iii}~~(ii) total credits, total credits played, and
 9 total credits won;

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 13 memory; and

14 ~~{vi}~~(v) total examination of electronic meters;

15 (m) the machine may not have any functions or
 16 parameters adjustable by or through any separate video
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 18 features that are wholly cosmetic;

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 20 external switch, an accounting ticket containing a
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 22 contain:

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 25 licensed establishment is located;

1 (iii) the license number of the machine;

2 (iv) the time of day, in hours and minutes in a 24-hour
 3 format;

4 (v) the date; and

5 (vi) the electronic meter readings required by
 6 subsection (4)(l)."

7 NEW SECTION. Section 3. Extension of authority. Any
 8 existing authority to make rules on the subject of the
 9 provisions of [this act] is extended to the provisions of
 10 [this act].

11 NEW SECTION. Section 4. Effective date. [This act] is
 12 effective on passage and approval.

-End-

1 *HOUSE BILL NO. 573*
2 INTRODUCED BY *Nisbet* *Carlwin Daily*
3 BY REQUEST OF THE COMMITTEE ON BUSINESS AND *McGinnis*
4 ECONOMIC DEVELOPMENT

5
6 A BILL FOR AN ACT ENTITLED: "AN ACT ALLOWING MACHINE
7 MANUFACTURER BILL ACCEPTORS ON VIDEO DRAW POKER AND KENO
8 MACHINES; AMENDING SECTIONS 23-5-606 AND 23-5-609, MCA; AND
9 PROVIDING AN IMMEDIATE EFFECTIVE DATE."

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11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

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7 (c) after shuffling, five cards must be dealt from the
8 top of the deck;

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10 cards in the deck, starting with the sixth card and using
11 the cards in the order of the deck;

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13 dealt, the player may be allowed to raise his wager up to
14 the amount of his initial ante, not to exceed eight
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21 one area containing the logic board and software for the
22 game draw poker and the other housing the cash compartment
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THIRD READING
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 2 hereinafter referred to as "mechanism 1" and "mechanism 2",
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 8 of cards that closely resemble standard poker playing cards;
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 14 licensed establishment is located;
 15 (iii) the value of the prize in numbers;
 16 (iv) the value of the prize in words;
 17 (v) the time of day, in hours and minutes in a 24-hour
 18 format;
 19 (vi) the date;
 20 (vii) the machine license number or serial number up to
 21 eight digits;
 22 (viii) the sequential number of the ticket voucher; and
 23 (ix) an encrypted validation number from which the
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 25 (l) an exact copy of each printed ticket voucher must

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 17 accepted by mechanism 1, and mechanism 2, and the bill
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 19 ~~{ii}-if-the-machine-has-a-bill-acceptor,it-must~~
 20 ~~contain-electronic-metering-using-meters-that-record-total~~
 21 ~~coins-in-mechanisms-1-and-2-combined-and-total-credits-in~~
 22 ~~the-bill-acceptor;~~
 23 ~~{iii}(ii)~~ total credits, total credits played, and
 24 total credits won;
 25 ~~{iv}(iii)~~ total hands of poker played and total hands

1 of poker won;

2 {v}{iv} total winning hands, consisting of a pair, two

3 pair, three of a kind, a straight, a flush, a full house,

4 four of a kind, a straight flush, or five of a kind;

5 {vi}{v} total errors from the logic board random

6 access memory; and

7 {vii}{vi} total examination of electronic meters;

8 (o) the machine may not have any functions or

9 parameters adjustable by or through any separate video

10 display or input codes, except for the adjustment of

11 features that are wholly cosmetic;

12 (p) the machine must issue, by activation of an

13 external switch, an accounting ticket containing a

14 performance synopsis of the machine. The ticket must

15 contain:

16 (i) the name of the licensed establishment;

17 (ii) the name of the city, town, or county in which the

18 licensed establishment is located;

19 (iii) the license number of the machine;

20 (iv) the time of day, in hours and minutes in a 24-hour

21 format;

22 (v) the date; and

23 (vi) the electronic meter readings required by

24 subsection (4)(n); and

25 (5) have a serial number or other identification

1 number permanently affixed to the machine by the

2 manufacturer."

3 **Section 2.** Section 23-5-609, MCA, is amended to read:

4 "23-5-609. Keno machine specifications. Each keno

5 machine must:

6 (1) be inspected in the state of Montana for

7 certification and licensure by the department;

8 (2) be connected with a system consisting of

9 player-operated terminals. The terminals must be intelligent

10 devices operated by the players in the manner specified in

11 this part.

12 (3) not have any switches, jumpers, wire posts, or any

13 other means of manipulation that could affect the operation

14 or outcome of a game; and

15 (4) offer only the game of keno and have the following

16 method of operation:

17 (a) the numbers must be mixed after each game is

18 played;

19 (b) the game must have one memory location for each

20 number. The numbers must be mixed by use of a random number

21 generator.

22 (c) each game must have a field of numbers from 1 to

23 75 or 1 to 80 for each game of keno or bingo that is played.

24 There must be at least 20 numbers drawn in each game.

25 (d) the game must display the number of spaces picked

1 for which free games or credits will be awarded and the
2 number of free games or credits for each game;

3 (e) the machine must have doors to two or more locking
4 areas, one area containing the logic board and software for
5 the game of keno and the others housing the cash compartment
6 and mechanical meters. These areas must be locking and
7 separated. Access to one from the other must not be allowed
8 at any time.

9 (f) the machine must have two mechanisms, hereinafter
10 referred to as "mechanism 1" and "mechanism 2", that accept
11 quarters. The machine may have a machine manufacturer
12 mechanism that accepts cash in the form of bills not to
13 exceed \$5.

14 (g) each quarter must represent one credit;

15 (h) the game must display the combinations for which
16 free games or credits will be awarded and the number of free
17 games or credits for each combination;

18 (i) the machine must be capable of printing a ticket
19 voucher for the player at the completion of each game. If
20 credits are owed the player, the ticket must contain:

21 (i) the name of the licensed establishment;

22 (ii) the name of the city, town, or county in which the
23 licensed establishment is located;

24 (iii) the value of the prize in numbers;

25 (iv) the value of the prize in words;

1 (v) the time of day, in hours and minutes in a 24-hour
2 format;

3 (vi) the date;

4 (vii) the machine license number or serial number up to
5 eight digits;

6 (viii) the sequential number of the ticket voucher; and

7 (ix) an encrypted validation number from which the
8 validity of the prize can be determined;

9 (j) an exact copy of each printed ticket voucher must
10 be printed and retained within the machine;

11 (k) the machine must have nonresettable mechanical
12 meters housed in the cash compartment that keep a permanent
13 record of:

14 (i) total credits in the bill acceptor, if the machine
15 has a bill acceptor;

16 ~~(i)~~(ii) total coins accepted by both coin acceptors;

17 ~~(ii)~~(iii) credits played by player;

18 ~~(iii)~~(iv) credits won by player; and

19 ~~(iv)~~(v) credits printed out by the ticket voucher
20 printer;

21 (l) the machine must contain electronic metering,
22 using meters that record the following and display them on
23 the video screen:

24 (i) total coins in accepted by mechanism 1 and
25 mechanism 2 combined, total coins credits in the bill

1 acceptor, and total credits accepted by mechanism 1,
 2 mechanism 2, and total-coins-in-mechanisms-1-and-2 the bill
 3 acceptor combined;

4 ~~{ii}-if-the-machine-has-a-bill-acceptor-it-must~~
 5 ~~contain-electronic-metering-using-meters-that-record-total~~
 6 ~~coins-in-mechanisms-1-and-2-combined-and-total-credits-in~~
 7 ~~the-bill-acceptor;~~

8 {iii}{ii} total credits, total credits played, and
 9 total credits won;

10 {iv}{iii} total games of keno played and total games of
 11 keno won;

12 {v}{iv} total errors from the logic board random access
 13 memory; and

14 {vi}{v} total examination of electronic meters;

15 (m) the machine may not have any functions or
 16 parameters adjustable by or through any separate video
 17 display or input codes, except for the adjustment of
 18 features that are wholly cosmetic;

19 (n) the machine must issue, by activation of an
 20 external switch, an accounting ticket containing a
 21 performance synopsis of the machine. The ticket must
 22 contain:

23 (i) the name of the licensed establishment;

24 (ii) the name of the city, town, or county in which the
 25 licensed establishment is located;

1 (iii) the license number of the machine;

2 (iv) the time of day, in hours and minutes in a 24-hour
 3 format;

4 (v) the date; and

5 (vi) the electronic meter readings required by
 6 subsection (4)(1)."

7 NEW SECTION. Section 3. Extension of authority. Any
 8 existing authority to make rules on the subject of the
 9 provisions of [this act] is extended to the provisions of
 10 [this act].

11 NEW SECTION. Section 4. Effective date. [This act] is
 12 effective on passage and approval.

-End-

SENATE STANDING COMMITTEE REPORT

March 8, 1989

MR. PRESIDENT:

We, your committee on Business and Industry, having had under consideration HB 573 (third reading copy -- blue), respectfully report that HB 573 be amended and as so amended be concurred in:

Sponsor: McCormick (Boylan)

1. Page 10.

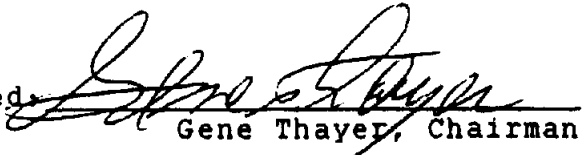
Following: line 10

Insert: "NEW SECTION. Section 4. Coordination instruction. If this bill and Senate Bill No. 431 are passed and approved and if Senate Bill No. 431 repeals 23-5-606 and 23-5-609, the department of justice shall by rule allow machine manufacturer bill acceptors on video draw poker machines and keno machines."

Renumber: subsequent section

AND AS AMENDED BE CONCURRED IN

Signed


Gene Thayer, Chairman

SENATE

scrhb573.308

1 HOUSE BILL NO. 573

2 INTRODUCED BY MCCORMICK, PAVLOVICH, DAILY, NISBET, BACHINI

3 BY REQUEST OF THE COMMITTEE ON BUSINESS AND

4 ECONOMIC DEVELOPMENT

5
6 A BILL FOR AN ACT ENTITLED: "AN ACT ALLOWING MACHINE
7 MANUFACTURER BILL ACCEPTORS ON VIDEO DRAW POKER AND KENO
8 MACHINES; AMENDING SECTIONS 23-5-606 AND 23-5-609, MCA; AND
9 PROVIDING AN IMMEDIATE EFFECTIVE DATE."

10
11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

12 Section 1. Section 23-5-606, MCA, is amended to read:

13 "23-5-606. Description and specifications. Each video
14 draw poker machine must:15 (1) be inspected in the state of Montana for
16 certification and licensure by the department;17 (2) be connected with a system consisting of
18 player-operated terminals. The terminals must be intelligent
19 devices operated by the players in the manner specified in
20 this part.21 (3) not have any switches, jumpers, wire posts, or any
22 other means of manipulation that could affect the operation
23 or outcome of a game;24 (4) offer only the game of draw poker and have the
25 following method of operation:1 (a) the cards must be shuffled after each hand of
2 poker is dealt;3 (b) the game must have one memory location for each
4 card in the deck. The deck must be shuffled by use of a
5 random number generator to exchange each card in the deck
6 with another randomly selected card.7 (c) after shuffling, five cards must be dealt from the
8 top of the deck;9 (d) any discarded cards must be replaced by remaining
10 cards in the deck, starting with the sixth card and using
11 the cards in the order of the deck;12 (e) after the first five cards of a hand have been
13 dealt, the player may be allowed to raise his wager up to
14 the amount of his initial ante, not to exceed eight
15 quarters;

16 (f) each quarter must represent one credit;

17 (g) the game must display the hands for which free
18 games or credits will be awarded and the number of free
19 games or credits for each hand;20 (h) the machine must have doors to two locking areas,
21 one area containing the logic board and software for the
22 game draw poker and the other housing the cash compartment
23 and mechanical meters. These areas must be locking and
24 separated. Access to one from the other must not be allowed
25 at any time.

1 (i) (i) the machine must have two mechanisms,
 2 hereinafter referred to as "mechanism 1" and "mechanism 2",
 3 that accept quarters;
 4 (ii) the machine may have a machine manufacturer
 5 mechanism that accepts cash in the form of bills not to
 6 exceed \$5;
 7 (j) the machine must use a color display with images
 8 of cards that closely resemble standard poker playing cards;
 9 (k) the machine must be capable of printing a ticket
 10 voucher for the player at the completion of each game. If
 11 credits are owed the player, a valid ticket must contain:
 12 (i) the name of the licensed establishment;
 13 (ii) the name of the city, town, or county in which the
 14 licensed establishment is located;
 15 (iii) the value of the prize in numbers;
 16 (iv) the value of the prize in words;
 17 (v) the time of day, in hours and minutes in a 24-hour
 18 format;
 19 (vi) the date;
 20 (vii) the machine license number or serial number up to
 21 eight digits;
 22 (viii) the sequential number of the ticket voucher; and
 23 (ix) an encrypted validation number from which the
 24 validity of the prize can be determined;
 25 (l) an exact copy of each printed ticket voucher must

1 be printed and retained within the machine;
 2 (m) the machine must have nonresettable mechanical
 3 meters housed in a readily accessible area that keep a
 4 permanent record of:
 5 (i) total coins accepted by both coin acceptors;
 6 (ii) total credits in the bill acceptor if the machine
 7 has a bill acceptor;
 8 (iii) credits played by player;
 9 (iv) credits won by player; and
 10 (v) credits printed out by the ticket voucher printer;
 11 (n) the machine must contain electronic metering,
 12 using meters that record the following and display them on
 13 the video screen:
 14 (i) total coins ~~in~~ accepted by mechanism 1 and
 15 mechanism 2 combined, total ~~coins-in-mechanism-2~~ credits in
 16 the bill acceptor, and total ~~coins--in--mechanisms~~ credits
 17 accepted by mechanism 1, and mechanism 2, and the bill
 18 acceptor combined;
 19 ~~{ii}-if-the-machine-has-a-bill-acceptor,it-must~~
 20 ~~contain-electronic-metering-using-meters-that-record-total~~
 21 ~~coins-in-mechanisms-1-and-2-combined-and-total-credits-in~~
 22 ~~the-bill-acceptor;~~
 23 ~~{iii}(ii)~~ total credits, total credits played, and
 24 total credits won;
 25 ~~{iv}(iii)~~ total hands of poker played and total hands

1 of poker won;

2 ~~(v)~~(iv) total winning hands, consisting of a pair, two

3 pair, three of a kind, a straight, a flush, a full house,

4 four of a kind, a straight flush, or five of a kind;

5 ~~(v)~~(v) total errors from the logic board random

6 access memory; and

7 ~~(vi)~~(vi) total examination of electronic meters;

8 (o) the machine may not have any functions or

9 parameters adjustable by or through any separate video

10 display or input codes, except for the adjustment of

11 features that are wholly cosmetic;

12 (p) the machine must issue, by activation of an

13 external switch, an accounting ticket containing a

14 performance synopsis of the machine. The ticket must

15 contain:

16 (i) the name of the licensed establishment;

17 (ii) the name of the city, town, or county in which the

18 licensed establishment is located;

19 (iii) the license number of the machine;

20 (iv) the time of day, in hours and minutes in a 24-hour

21 format;

22 (v) the date; and

23 (vi) the electronic meter readings required by

24 subsection (4)(n); and

25 (5) have a serial number or other identification

1 number permanently affixed to the machine by the

2 manufacturer."

3 **Section 2.** Section 23-5-609, MCA, is amended to read:

4 "23-5-609. Keno machine specifications. Each keno

5 machine must:

6 (1) be inspected in the state of Montana for

7 certification and licensure by the department;

8 (2) be connected with a system consisting of

9 player-operated terminals. The terminals must be intelligent

10 devices operated by the players in the manner specified in

11 this part.

12 (3) not have any switches, jumpers, wire posts, or any

13 other means of manipulation that could affect the operation

14 or outcome of a game; and

15 (4) offer only the game of keno and have the following

16 method of operation:

17 (a) the numbers must be mixed after each game is

18 played;

19 (b) the game must have one memory location for each

20 number. The numbers must be mixed by use of a random number

21 generator.

22 (c) each game must have a field of numbers from 1 to

23 75 or 1 to 80 for each game of keno or bingo that is played.

24 There must be at least 20 numbers drawn in each game.

25 (d) the game must display the number of spaces picked

1 for which free games or credits will be awarded and the
2 number of free games or credits for each game;

3 (e) the machine must have doors to two or more locking
4 areas, one area containing the logic board and software for
5 the game of keno and the others housing the cash compartment
6 and mechanical meters. These areas must be locking and
7 separated. Access to one from the other must not be allowed
8 at any time.

9 (f) the machine must have two mechanisms, hereinafter
10 referred to as "mechanism 1" and "mechanism 2", that accept
11 quarters. The machine may have a machine manufacturer
12 mechanism that accepts cash in the form of bills not to
13 exceed \$5.

14 (g) each quarter must represent one credit;

15 (h) the game must display the combinations for which
16 free games or credits will be awarded and the number of free
17 games or credits for each combination;

18 (i) the machine must be capable of printing a ticket
19 voucher for the player at the completion of each game. If
20 credits are owed the player, the ticket must contain:

21 (i) the name of the licensed establishment;

22 (ii) the name of the city, town, or county in which the
23 licensed establishment is located;

24 (iii) the value of the prize in numbers;

25 (iv) the value of the prize in words;

1 (v) the time of day, in hours and minutes in a 24-hour
2 format;

3 (vi) the date;

4 (vii) the machine license number or serial number up to
5 eight digits;

6 (viii) the sequential number of the ticket voucher; and

7 (ix) an encrypted validation number from which the
8 validity of the prize can be determined;

9 (j) an exact copy of each printed ticket voucher must
10 be printed and retained within the machine;

11 (k) the machine must have nonresettable mechanical
12 meters housed in the cash compartment that keep a permanent
13 record of:

14 (i) total credits in the bill acceptor, if the machine
15 has a bill acceptor;

16 ~~+++~~(ii) total coins accepted by both coin acceptors;

17 ~~+++~~(iii) credits played by player;

18 ~~+++~~(iv) credits won by player; and

19 ~~+++~~(v) credits printed out by the ticket voucher
20 printer;

21 (l) the machine must contain electronic metering,
22 using meters that record the following and display them on
23 the video screen:

24 (i) total coins in accepted by mechanism 1 and
25 mechanism 2 combined, total coins credits in the bill

1 acceptor, and total credits accepted by mechanism 1,
 2 mechanism 2, and total coins in mechanisms 1 and 2 the bill
 3 acceptor combined;

4 ~~{ii}-if-the-machine-has-a-bill-acceptor,-it-must~~
 5 ~~contain-electronic-metering-using-meters-that-record-total~~
 6 ~~coins-in-mechanisms-1-and-2-combined-and-total-credits-in~~
 7 ~~the-bill-acceptor;~~

8 ~~{iii}~~(ii) total credits, total credits played, and
 9 total credits won;

10 ~~{iv}~~(iii) total games of keno played and total games of
 11 keno won;

12 ~~{v}~~(iv) total errors from the logic board random access
 13 memory; and

14 ~~{vi}~~(v) total examination of electronic meters;

15 (m) the machine may not have any functions or
 16 parameters adjustable by or through any separate video
 17 display or input codes, except for the adjustment of
 18 features that are wholly cosmetic;

19 (n) the machine must issue, by activation of an
 20 external switch, an accounting ticket containing a
 21 performance synopsis of the machine. The ticket must
 22 contain:

23 (i) the name of the licensed establishment;

24 (ii) the name of the city, town, or county in which the
 25 licensed establishment is located;

1 (iii) the license number of the machine;

2 (iv) the time of day, in hours and minutes in a 24-hour
 3 format;

4 (v) the date; and

5 (vi) the electronic meter readings required by
 6 subsection (4)(1)."

7 NEW SECTION. Section 3. Extension of authority. Any
 8 existing authority to make rules on the subject of the
 9 provisions of [this act] is extended to the provisions of
 10 [this act].

11 NEW SECTION. SECTION 4. COORDINATION INSTRUCTION. IF
 12 THIS BILL AND SENATE BILL NO. 431 ARE PASSED AND APPROVED
 13 AND IF SENATE BILL NO. 431 REPEALS 23-5-606 AND 23-5-609,
 14 THE DEPARTMENT OF JUSTICE SHALL BY RULE ALLOW MACHINE
 15 MANUFACTURER BILL ACCEPTORS ON VIDEO DRAW POKER MACHINES AND
 16 KENO MACHINES.

17 NEW SECTION. Section 5. Effective date. [This act] is
 18 effective on passage and approval.

-End-