



## **GAMING ADVISORY COUNCIL**

### **MINUTES**

*January 11, 2024*  
*Billings, MT*

This is a summary of the Council meeting. The meeting in its entirety is recorded in a digital audio file format and maintained at the Gambling Control Division office at 2681 Palmer St., Suite D, Missoula, MT. Exhibits (if any) are on file in the office of the Gambling Control Division.

### **COUNCIL MEMBERS PRESENT**

Scott Aspenlieder	Garret McFarland
Travis Woltermann	Lee Randall (Teams Link)
Mike Kenneally	Jeremy Trebas (Teams Link)
	Merle Frank (Teams Link)

### **DIVISION STAFF PRESENT**

Jason Johnson (Administrator)	Ashley Corbally (Administrative Officer)
Matt Eckdahl (Technical Services Supervisor)	Melina Bucy (Compliance Supervisor)
Stacy Rogstad (License and Tax Supervisor)	

### **SUMMARY OF COUNCIL ACTION**

- **The Council voted unanimously to approve the minutes from the September 27, 2023 meeting.**
- **Senator Forrest Mandeville provided a discussion regarding the definition of Fantasy Sports.**
- **Vince Pontillo presented his request to have a bill sponsored regarding allowing historical gambling games during living history events and casino nights.**

### **CALL TO ORDER AND ROLL CALL**

Chairman Aspenlieder called the meeting to order at 1:00 p.m.

Mr. McFarland moved to approve the minutes from the 9/27 meeting. Mr. Woltermann seconded. The minutes from the September 27<sup>th</sup>, 2023 were approved unanimously.

## GAMBLING CONTROL DIVISION UPDATE

### Operations Update

Administrator, Jason Johnson, discussed the increased number of legal cases experienced this last year. He also mentioned issues concerning online gaming in Montana and GCD has continued to reach out, with good response, from most online gaming providers. We continue to work on those cases.

Mr. Johnson solicited feedback from in person and online attendees for any questions that have arisen regarding the proposed rules that have been sent out for anything *outside* of the Entertainment Display comments. No questions or comments.

Jason Johnson opened discussion on the proposed rules discussion regarding entertainment displays. Mr. Johnson stated that the previous administration had landed on the word “simulated” in the rules and extrapolated that to include entertainment displays, arguing an entertainment display is a simulation. However, the current GCD administration does not believe that was appropriately applied. If a submission meets all rules and regulations in the state of MT, then why would GCD admit some and not others.

Mr. Johnson reiterated that we receive numerous submissions from organizations regarding various types of software (i.e. proprietary information) and we do not disclose that information to other industry members. While there have been many comments regarding this proposed rule, Mr. Johnson emphasized that while GCD is welcoming comments and feedback during the GAC meeting, ultimately any formal concerns regarding the proposed rules must be received, in writing, prior to February 9<sup>th</sup>. Furthermore, GCD’s concern is ultimately with the end consumer, so any comments/concerns against the proposed rule would need to not only specify the concern but must also have supporting arguments for how it negatively impacts the end consumer.

A guest from IGT asked that if the entertainment display needs to display a conforming game, would it have to be a line game? Mr. Johnson confirmed it would.

Merle Frank asked how the conforming outcome is generated, based on the current line game requirement 4.25. Mr. Frank also asked if there is an example on how the outcome is driven and how it is used on the entertainment display? Mr. Johnson stated that, while respecting transparency, if an operator was submitting something containing proprietary information, it would not be appropriate to discuss that information with other industry professionals.

Mr. Johnson stated that though the previous administration may have taken the stance to decline new types of entertainment displays on principle alone, our current administration and responsibility is not to decline without valid legal grounds.

Mr. Kenneally stated that he felt that this new proposed entertainment display would cause confusion to the end consumer. Mr. Johnson mentioned we did consider that and reiterated that the 3x3 display is best for the consumer.

Shauna Helfert with the Gaming Industry Association stated it was difficult to grasp what this really means

without seeing any visuals. Ms. Helfert stated that Association is unsure of what the unintended consequences of this would be.

Mr. Johnson suggested that perhaps Mr. Eckdahl could create a visual representation of what this type of entertainment display might look like. Once complete, that example would be distributed to the Council and Industry representatives for review. *Note: Mr. Eckdahl did create a visual example of this, and Ashley Corbally sent it out to the Council and Industry members on 1/19/2024.*

### **Technical Services Section Update**

Mr. Eckdahl provided an update on Technical Services for 2023. At year end, inspectors had done over 5,200 inspections, the highest ever in a single year. As of 12/31/2023, there were over 427 establishments using Tier 1 (34% of all establishments) and over 8,000 VGMs (50% of all VGMs) utilizing Tier 1. Finally, lab engineers completed testing on 58 cases, including 12 new keno games, 13 line games, and zero new poker games.

### **Statistics**

Ms. Corbally informed the council that it's a little early in the month still to be able to compile the statistics. They will be ready to be compiled next week.

### **OTHER UPDATES**

#### **Alcohol Beverage Control Division (ABCD) Update**

Becky Schlauch mentioned that ABCD has awarded the contract for the new warehouse expansion and work has begun. Estimated completion date is April 25, 2024.

Ms. Schlauch mentioned her and Jason Johnson have been working to get the membership list completed for the Alcohol/Licensing advisory committee. She hope to have this done in February, depending on people's schedules. Ms. Schlauch also provided updates on some employee changes. Ms. Schlauch is also working on getting their Rules completed and is expected to be completed in February at the earliest.

Chairman Aspenlieder asked if Ms. Schlauch could send out the roster of the committee to Jason and Ashley for distribution and review. He also asked if a GAC council member had been chosen. Ms. Schlauch stated that since Jason serves on the GAC, he is currently the liaison for the council and committee.

#### **Montana Lottery Update**

Mr. Scott Sales was invited but unable to attend.

#### **Montana Board of Horse Racing**

John Hayes provided updates regarding The Montana Board of Horse Racing. HB2 funding has been allocated to the two tracks in Miles City and Great Falls. Races will take place in Miles City on May 5, 12, 17-19th and in Great Falls July 13-14, 20-21, 27-28.

### **Montana Indian Gaming Association**

The Montana Indian Gaming Association was invited but unable to attend.

### **Montana Council on Problem Gambling Update**

Mr. Brad Longcake with Montana Council on Problem Gambling provided updates regarding the Montana Council on Problem Gambling. The Council has been working with the AGs office on some events for March, which is Gambling Awareness Month.

### **Association Representatives**

Ms. Shauna Helfert provided updates regarding The Montana Gaming Industry Association. Ms. Helfert requested that the GAC review the terminology around slot machines and what's allowable for advertisement purposes. She stated that while they are line games, they are essentially slot machines disguised as line games. Mr. Woltermann requested to add this to the next meeting's agenda. The Council agreed and approved the request to add that.

Additionally, Mr. Johnson stated that he has had conversations about this and the statute is written very specifically for a classic slot machine, one where you drop a coin in to operate it. He reiterated that this definition would need to be changed in statute. Chairman Aspenlieder requested that Ms. Helfert provide some commentary from the association about what they would like to have changed to help provide direction.

Ms. Ronda Wiggers provided an update on the Coin Operators Association.

John Iverson provided updates regarding the Montana Tavern Association. The annual convention will be September 9-11<sup>th</sup> in Havre.

### **Old Business**

#### *Indian Gaming Compact –*

Mr. Johnson stated that the AGs office has reached an agreement with Fort Peck and the tribe has agreed to operate like anyone else and be under regulatory authority for sports betting. Bet limits were raised. The AG's office would like to be able to roll that out with all the tribes, having one compact that all tribes agree to and are on the same page.

#### *Licensing and Compliance Procedures between DOJ and DOR/flowchart of licensing processes-*

Mr. Johnson emphasized that communications with Becky and her team have improved greatly, and they are developing procedures for fingerprinting and other processes for review.

#### *Modernization of Fantasy Sports-*

Senator Mandeville discussed Senate Bill 474, which tried to add some clarity and clean up language regarding fantasy sports, specifically how it is defined, as much of the existing language has to do with horse racing. The end goal would be to adopt a definition of fantasy sports that is agreed upon by all and is

representative of current “fantasy sports.”

Senator Mandeville expressed the concern and confusion of what a “season” means when it refers to fantasy sports, more specifically the dailies. Mandeville presented the question “what if a league is playoff specific, for example?” Senator Mandeville mentioned that WY passed HB133 bill that determined fantasy sports does not meet the definition of online gambling.

Chairman Aspenlieder requested that Senator Mandeville forward the WY bill to Ashley, Administrative Officer, for distribution and review of the council and industry members.

Mr. Johnson asked if the previously submitted bill would be an accurate representation with what Senator Mandeville would like to address again in the next session. Senator Mandeville responded that there would certainly be some changes needed, as the previous bill was put together rapidly.

The Council agreed to continue this discussion as an active agenda item.

### **New Business**

Vince Pontillo presented to the council the recommended revision to the MCA regarding demonstrations of antique gaming (such as roulette or blackjack, for example) and requested that GAC Council legislators consider sponsoring a bill regarding revising this part of the MCA. Jason Johnson will have the proposal sent out to the entirety of the council and industry members for review.

Mr. Iverson asked for clarification if Vince is looking to just present these games with “monopoly” or fake money. Mr. Pontillo stated that they would like to use fake money, or something of minimal value for donation purposes. Additionally, they would like to have these games available for play for donation purposes at casino nights as such. Mr. Pontillo mentioned that they would like to use this for fundraising and educational purposes and participants could, in fact, trade in their “fake” money for real money following winning a game.

Mr. Chairman proposed we continue to keep this as old business on the next agenda. We will keep Vince on notice for the next meeting.

Chairman Aspenlieder adjourned the meeting at 2:26pm.

Minutes respectfully submitted by Ashley Corbally.