

**MONTANA DEPARTMENT OF JUSTICE
GAMBLING CONTROL DIVISION**

**Biennial Report
Fiscal Years 2023 – 2024**



and

**Report of the
Gaming Advisory Council**

December 2024

Gambling Control Division
615 S. 27th St., Suite A
Billings, MT 59101

(406) 896-4300
gcd@mt.gov
www.dojmt.gov

Executive Summary

The video gambling machine tax collections (a key indicator for the industry) saw a 2.1% increase in FY23 and a 4.22% increase in FY24. These tax collections provided approximately \$163M to the state general fund over the reporting period. Beginning in FY24, the negative tax bill went into effect. This bill allowed business owners to account for both profits and losses when reporting total revenues to the state of Montana. Even with the negative tax implementation, FY24 still saw a record year of tax revenue from gambling.

The division issued approximately 18,540 permits for video gambling machines each fiscal year with an average of 17,472 machines active each quarter. This is up by approximately 2.7% compared to FY21 and FY22.

A substantial portion of the division's work relates to alcoholic beverage licensing, auditing, inspecting, and investigating. For example, 48% of the applications (new and amended) received by the division in FY23 and FY24 were for alcohol-only licenses, 49% were for combined alcohol and gambling licenses, and only 3% were for gambling-only licenses. Also, 60% of the premises inspections completed by our investigations staff were done at locations with an alcoholic beverage license (not a gambling license), 39% of inspections were done at locations with both a gambling operator license and an alcoholic beverage license, and 1% of inspections were done at locations with only a gambling operator license.

The division continued to provide support for programs assisting those adversely affected by legalized gambling including compulsive gamblers and their families. That was primarily done through its relationship with the Montana Council on Problem Gambling.

The Gaming Advisory Council met six times during the reporting period. During meetings, they discussed several topics, including proposals that were passed during the most recent Legislative Session. Details of council discussions can be found on page 18.

Table of Contents

Gambling in Montana.....	4
Brief History	4
Current Regulation	4
Public Policy.....	5
Organization and Activities of the Gambling Control Division	6
Investigations Section.....	7
Operations Section	8
Technical Services Section.....	9
Legal Services.....	9
Gambling Revenue and Permit Fees	10
Distribution of Revenue	13
Tribal Gaming Compacts	14
Status of Compact Negotiations	15
Gaming Advisory Council 2023-2024.....	17
Report to the Department of Justice and the 2023 Legislature.....	17
Council Members	17
Gaming Advisory Council Deliberations and Activities	18
Video Gambling Machine Activity by County and Municipality	20
Chart 1 Video Gambling by City Fiscal Year 2023.....	20
Chart 2 Video Gambling by City Fiscal Year 2024.....	20
Chart 3 Video Gambling by County Fiscal Year 2023.....	21
Chart 4 Video Gambling by County Fiscal Year 2024.....	22

Gambling in Montana

Brief History

Montana's 1889 Constitution made all forms of gambling illegal. However, illegal gambling always existed in some local jurisdictions. In the 1930s and 1940s, the legislature legalized certain limited forms of gambling. The 1949 Legislature and the attorney general declared a "law enforcement emergency" to crack down on illegal gambling. In 1950, the State Supreme Court ruled that slot machines and punchboards were illegal under the state Constitution.

In 1972, Montana voters approved a new Constitution that allowed the legislature to approve specific gambling activities. The 1973 Legislature legalized bingo, raffles, card games, and sports pools. In 1976, the State Supreme Court ruled that video keno was a form of bingo, which marked the beginning of legal video gambling machines. The legislature added video poker to keno in 1985 and, in 1986, voters approved a state lottery. The legislature enacted a 15% tax on video gambling machines in 1987.

Prior to 1989, responsibility for regulating most forms of gambling in Montana rested with local governments. This decentralized system resulted in an inconsistent application of the law regarding gambling activities in the state. Some cities and counties vigorously controlled gambling within their boundaries while other jurisdictions took a more relaxed stance. A consistent approach to gambling regulation was nonexistent.

The 1989 Legislature centralized gambling regulation under the Department of Justice. Statutory duties assigned to the department included adopting administrative rules, licensing gambling providers and activities, collecting and distributing gambling taxes, testing and approving video gambling machines, and enforcing gambling laws.

Current Regulation

The Attorney General is responsible for the Department of Justice which includes the Gambling Control Division. The Gambling Control Division's jurisdiction extends to all forms of gambling except horse racing and the activities offered by the Montana Lottery.

The following gambling activities are authorized and regulated by the Division:

- video gambling machines that offer keno, poker, bingo, or line games;
- live card games including poker and panguingue;
- live bingo and live keno;
- certain sports pool and sport tab games;
- Calcutta pools;

- casino nights;
- raffles;
- certain dice games including cee-lo and shake-a-day and shaking for music or drinks;
- live fantasy sports leagues; and
- fishing derbies and betting on natural occurrences.

The Montana Lottery is attached to the Department of Administration and the Board of Horse Racing is administratively attached to the Department of Commerce.

Public Policy

The legislature has adopted the following public policy statement (23-5-110, MCA) with regard to gambling regulation in Montana:

“(1) The legislature finds that for the purpose of ensuring the proper gambling environment in this state it is necessary and desirable to adopt a public policy regarding public gambling activities in Montana. The legislature therefore declares it is necessary to:

(a) create and maintain a uniform regulatory climate that assures players, owners, tourists, citizens, and others that the gambling industry in this state is fair and is not influenced by corrupt persons, organizations, or practices;

(b) protect legal public gambling activities from unscrupulous players and vendors and detrimental influences;

(c) protect the public from unscrupulous proprietors and operators of gambling establishments, games, and devices;

(d) protect the state and local governments from those who would conduct illegal gambling activities that deprive those governments of their tax revenues;

(e) protect the health, safety, and welfare of all citizens of this state, including those who do not gamble, by regulating gambling activities; and

(f) promote programs necessary to provide assistance to those who are adversely affected by legalized gambling, including compulsive gamblers and their families.

(2) The legislature adopts the policy that an applicant for a license or permit or other department approval under parts 1 through 8 of this chapter does not have a right to the issuance of a license or permit or the granting of the approval sought. The issuance of a license or permit issued or other department approval granted pursuant to the provisions of parts 1 through 8 of this chapter is a privilege revocable only for good cause. A holder does not acquire a vested right in the license or permit issued or other department approval granted. A license or permit issued under parts 1 through 8 of this chapter may not be sold, assigned, leased, or transferred.

(3) Revenue to fund the expense of administration and control of gambling as regulated by parts 1 through 8 of this chapter must be derived solely from fees, taxes, and penalties on gambling activities, except the gambling activities of the Montana state lottery and the parimutuel industry.”

Organization and Activities of the Gambling Control Division

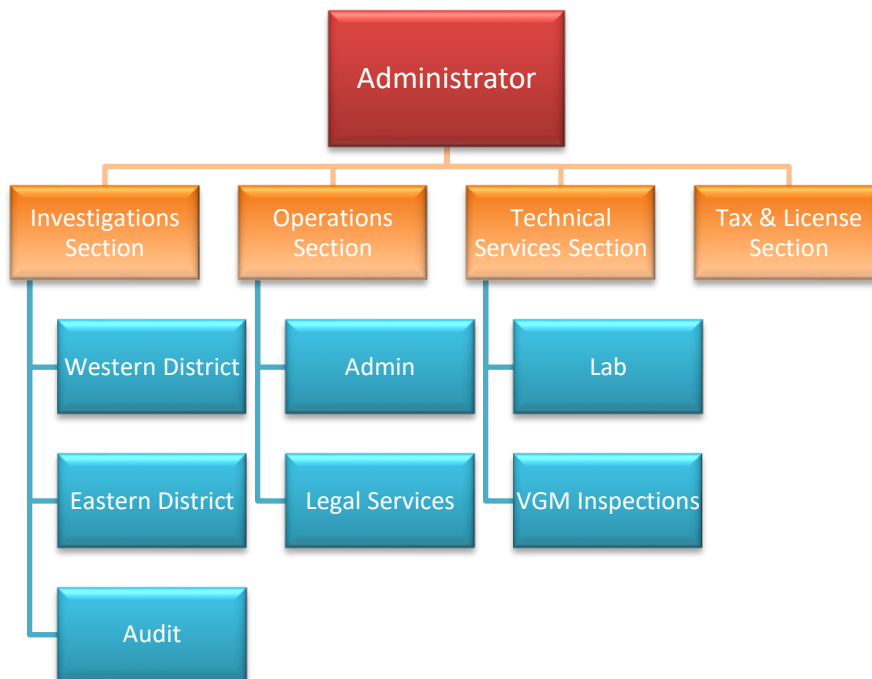
The mission of the Gambling Control Division (GCD) is to create and maintain a uniform regulatory climate to protect the businesses, players, organizations, citizens, and all who are affected by legalized gambling in Montana. The 33 division FTE accomplish this mission through licensing, permitting, collecting, auditing, testing, programming, inspecting, investigating, prosecuting, and reporting.

Under Montana law, businesses must have an appropriate alcoholic beverage license before they can conduct or offer certain gambling activities, specifically live card games, sports pool/sports tab games, and video gambling machines.

The Division has an MOU with the Department of Revenue's Alcoholic Beverage Control Division to provide licensing, auditing, and investigative services. Through that role, the division serves as a point of contact for many alcoholic beverage licensees and applicants.

The Division also provides investigative services to DOR for tobacco tax enforcement.

The Division Administrator manages the Division's overall operations which are headquartered in Billings. In addition to management responsibility, the Administrator supports the activities of the Gaming Advisory Council. The organizational structure of the Division is indicated below:



Investigations Section

The Gambling Investigations Section is organized into Eastern and Western Districts and an Audit Section. In addition to headquarters in Billings, field offices are located in Bozeman, Glendive, Great Falls, Kalispell, Missoula and Helena, which includes our Technical Services Lab.

The primary responsibilities of the Investigations Section include:

- help licensed Montana businesses navigate gambling and alcohol regulations;
- investigating illegal gambling or alcohol activity;
- execute gambling and alcohol suspensions and revocations;
- investigating any violations of laws related to tobacco taxes or the types of tobacco that can be sold;
- conducting background checks of applicants for a gambling or alcoholic beverage license;
- conducting routine inspections of gambling and/or alcoholic beverage licensed establishments;
- processing applications for temporary card dealer licenses;
- inspecting newly constructed or remodeled establishments that sell alcoholic beverages or offer gambling;
- evaluating variations of legal gambling activities submitted for approval;
- providing local law enforcement training;
- providing topic specific training and resources to licensees and general public, and
- providing assistance in the distribution of problem gambling resources.

The number of gambling, liquor, or tobacco cases (including licensing, criminal, and citizen complaints) completed by the Investigations Section was 2,146 in FY23, and 2,150 in FY24.

The Audit Section has staff located in Billings, Helena and Missoula and provides the following services:

- assists in licensing applicants for a gambling or alcoholic beverage license by conducting financial background reviews;
- conducts full financial reviews of gambling or alcoholic beverage license holders;
- conducts field tax audits; and
- provides support to the Investigations Section in interpreting and analyzing financial documents related to suspected illegal gambling activities.

Operations Section

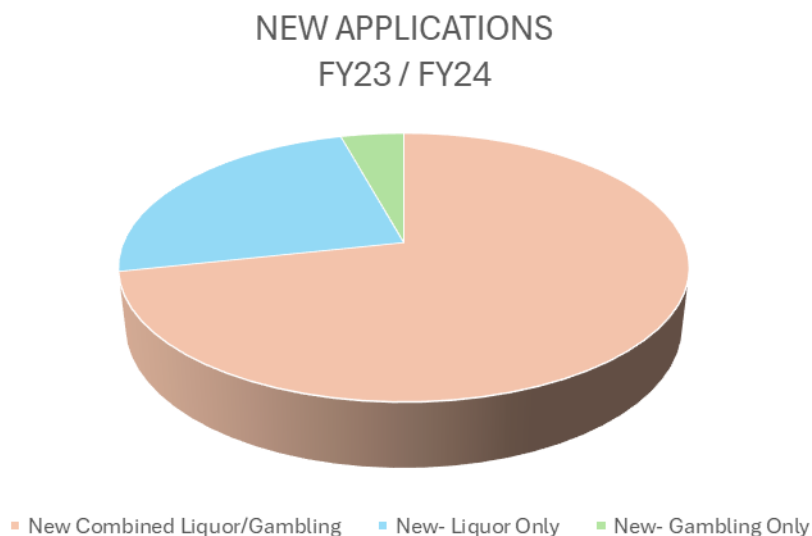
The Administrative Section performs a range of functions including:

- division management services;
- budget preparation;
- website maintenance;
- coordination of external communication;
- licensee and public education;
- compilation of gambling statistics and reports; and
- assistance in production of problem gambling resources.

The License and Tax Section provides many services including the following:

- processes and issues gambling licenses and permits, including video gambling machine permits;
- collects and distributes license and permit fees;
- maintains all license records;
- collects gambling taxes, fines and penalties; and
- processes machine service forms and tracks machine movement in the state.

The Gambling Control Division processes both alcoholic beverage and gambling (new and amended) license applications. The License and Tax Section is the first point of contact for all license applications based on a combined processing procedure, but the Department of Revenue retains responsibility for approving and issuing alcoholic beverage licenses. In FY23 and FY24, the Division received a total of 425 *new* applications. Of that total, 70% were Combined Alcohol/Gambling, 5% were Gambling-only, and 25% were Alcohol-only. Overall, the division received 26% less license applications over the last two fiscal years as compared to the previous two fiscal years.



Technical Services Section

Technical Services Section personnel are based in Helena, with the exception of two machine inspectors: one in Billings and another in Missoula. The Technical Services Section serves as the primary technical resource for approving and testing video gambling machines.

Major responsibilities of the Technical Services Section include:

- testing video gambling software and hardware;
- testing automated accounting systems;
- providing interpretations of state law and rules to video gambling machine software designers;
- providing random testing of video gambling machines to ensure that software and hardware are functioning as tested; and
- programming the division's database;
- tracking the movement of illegal machines in and out of the state.

The lab closed 54 cases in FY23 and 70 cases in FY24 for new gambling devices or software modifications. The average turnaround time on video gambling machine modifications was 16 days in FY23 and 13 days in FY24. The laboratory is primarily supported by hourly testing fees that are paid by the video gambling machine manufacturers.

Legal Services

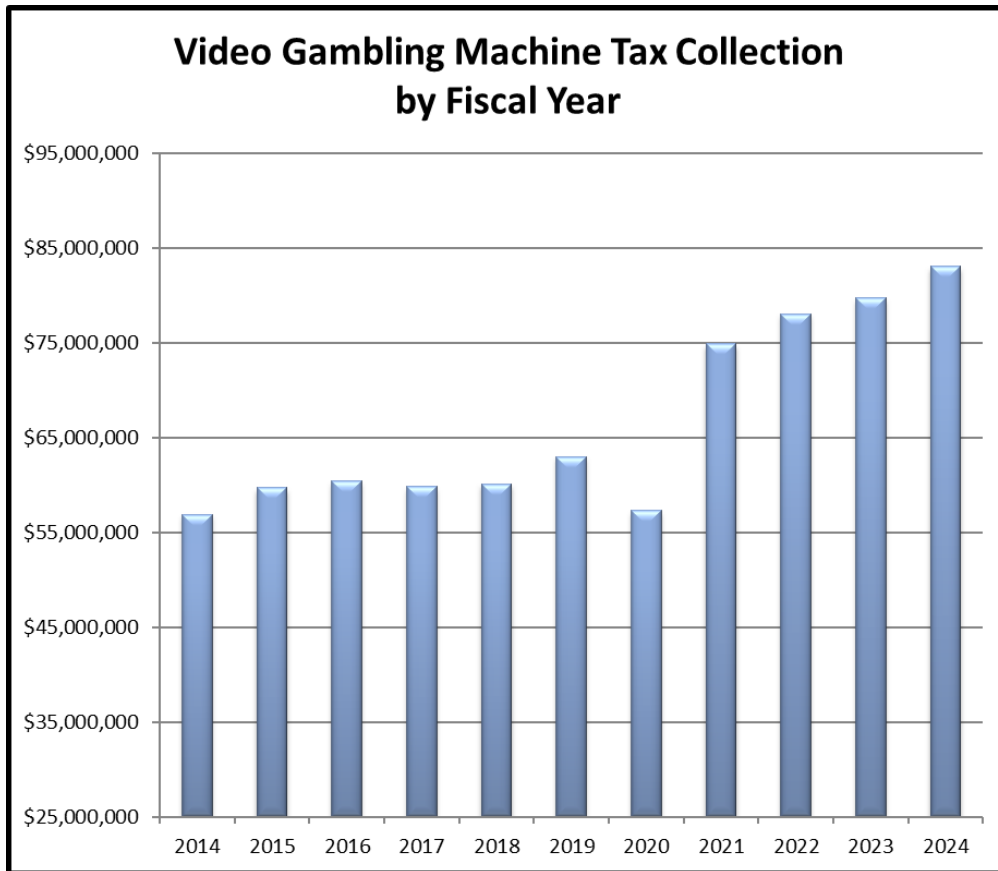
An attorney from the State's Attorney's office is assigned to the Gambling Control Division. The attorney's focus is primarily on administrative action against licensees who violate Montana's gambling laws and rules, and on representing the Division in administrative proceedings. In addition, the Gambling Control Division's attorney may assist local county attorneys with gambling-related cases that fall within local jurisdictions. If county attorneys decline prosecution of a criminal case, the division attorney may prosecute the case. The division had 15 docketed legal cases in FY23 and 28 docketed legal cases in FY24.

Gambling Revenue and Permit Fees

Video Gambling Machine Gross Income Tax – The Video Gambling Machine Gross Income Tax is the most significant source of gambling revenue, and all the tax is distributed to the state general fund. This 15% tax is applied to the net income from line game, bingo, keno, and poker video gambling machines. Net machine income is the total receipts from a machine, minus the machine’s cash payouts (loss). For example, if during a day \$100 is inserted and played on a video gambling machine and \$60 is cashed out, the net income for the day would be \$40. The tax would be 15% of that \$40, or \$6. If \$100 is inserted and played on a video gambling machine and \$200 is cashed out, the net income would be -\$100. The \$100 loss in net revenue would be accounted for when reporting this machine’s net revenue during the required reporting period as provided in HB297.

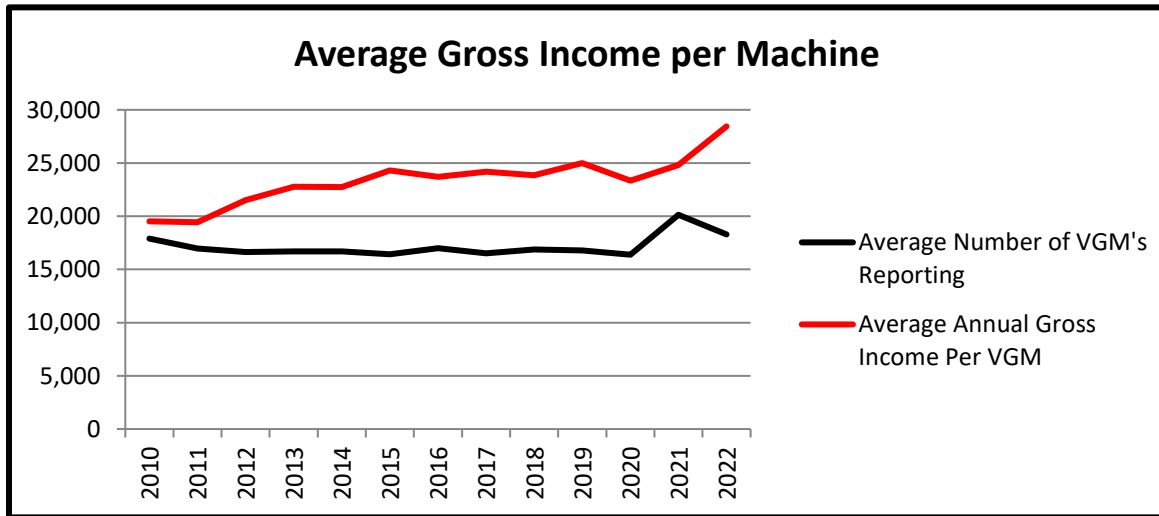
In FY23, the Video Gambling Machine gross income tax generated an estimated \$79.7M for the state general fund which represented a 2.1% increase as compared to the amount collected in FY22. In FY24, the Video Gambling Machine tax generated an estimated \$83M, which represented a 4.2% increase compared to FY23.

The following chart indicates the video gambling machine tax collection trend over the last ten years:



Average gross income for video gambling machines per fiscal year is indicated in the following chart:

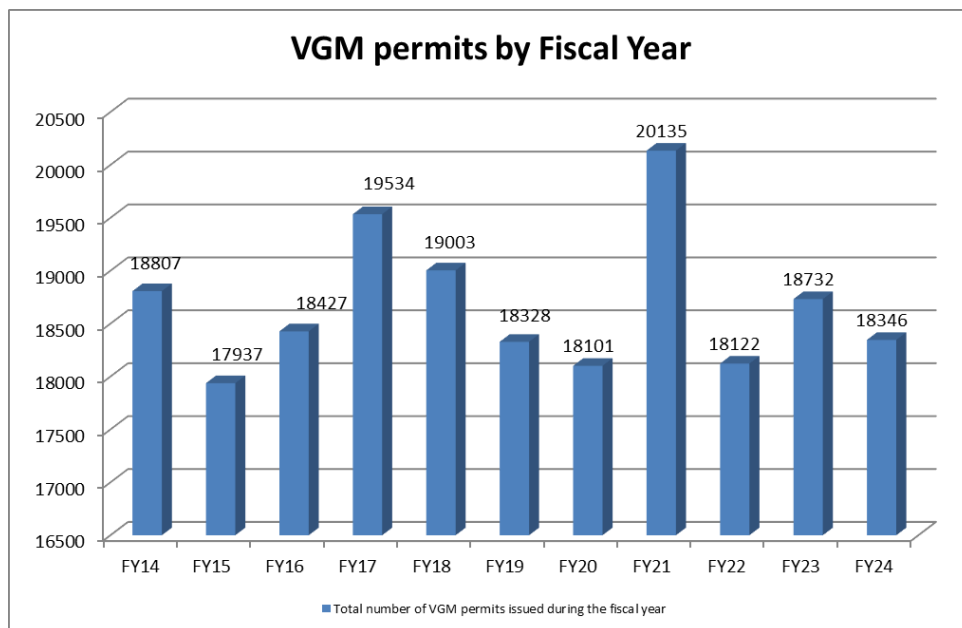
Fiscal Year	Average Number of VGM's Reporting	Total Annual Gross Income	Average Annual Gross Income Per VGM
2011	16,958	\$ 329,559,473	\$ 19,434
2012	16,649	\$ 358,218,613	\$ 21,516
2013	16,695	\$ 380,329,860	\$ 22,781
2014	16,684	\$ 379,607,573	\$ 22,753
2015	16,420	\$ 398,863,520	\$ 24,291
2016	17,007	\$ 406,212,940	\$ 23,708
2017	16,526	\$ 399,588,646	\$ 24,179
2018	16,864	\$ 402,120,393	\$ 23,844
2019	16,792	\$ 419,957,833	\$ 25,009
2020	16,384	\$ 382,211,327	\$ 23,328
2021	20,135	\$ 499,415,187	\$ 24,803
2022	18,122	\$ 520,378,480	\$ 28,720



Other Gambling Taxes – In addition to the Video Gambling Machine gross income tax, the Division collects taxes on live keno, live bingo, and sports tabs. Live bingo and live keno are taxed at the rate of 1% of gross proceeds and all the tax collected is distributed to local government. Total collections are generally around \$5,000 per year.

Sports tab cards are taxed at a flat rate of \$1 per card and the Division retains all of the tax. Historically, this has been a regionally located activity and generally produces collections of approximately \$2,600 annually.

Permit Fees – The Gambling Control Division also collects several permit fees related to licensed gambling activities. The most significant permit fee is the \$240 per year fee for each video gambling machine. The fee is split to provide \$100 to local government where the machine is located and \$140 to the Gambling State Special Revenue Fund. If a video gambling machine is permitted after the first quarter of the fiscal year, the fee is prorated by quarter.



Distribution of Revenue

GCD collects revenue from several sources – primarily taxes and permits. While the division collects over \$80M dollars a year, GCD retains slightly less than 4% of the total which is deposited into the gambling license fee account (state special fund 02074) to fund division operations.

FY 2023 GCD Distribution of Revenue				
Revenue Source	Total Collected	Distribution of Funds		
		Local Govt.	Gambling Control	General Fund
Antique Slot Machine Dealer	\$ -		\$ -	
Bingo & Keno Permit Fees	\$ 36,935		\$ 36,935	
Calcutta Application Fees	\$ 5,150		\$ 5,150	
Card Dealer License Fees	\$ 10,630		\$ 10,630	
Card Room Contractor Fees	\$ 5,100		\$ 5,100	
Card Table Permit Fees	\$ 48,500	\$ 31,900	\$ 16,600	
Card Tournament Fees	\$ 11,150		\$ 11,150	
Casino Night Permit Fees	\$ 1,075		\$ 1,075	
Fines/Penalties	\$ 23,979		\$ 23,979	\$ 23,979
Lab Test Fees	\$ 146,329		\$ 146,329	
Live Bingo & Keno Tax	\$ 4,830	\$ 4,830		
Manufacturer/Route Operator License Fees	\$ 73,241		\$ 73,241	
Operator License Fees	\$ 152,380		\$ 152,380	
Sports Tab Tax	\$ 2,570		\$ 2,570	
Background Checks	\$ 43,021		\$ 43,021	
VGM Gross Income Tax	\$ 80,105,579		-	\$ 80,105,579
VGM Permit Fees	\$ 4,166,220	\$ 1,737,975	\$ 2,428,245	
Totals	\$ 84,836,689	\$ 1,774,705	\$ 2,956,405	\$ 80,129,558
Percent of Total	100.00%	2.09%	3.48%	94.45%

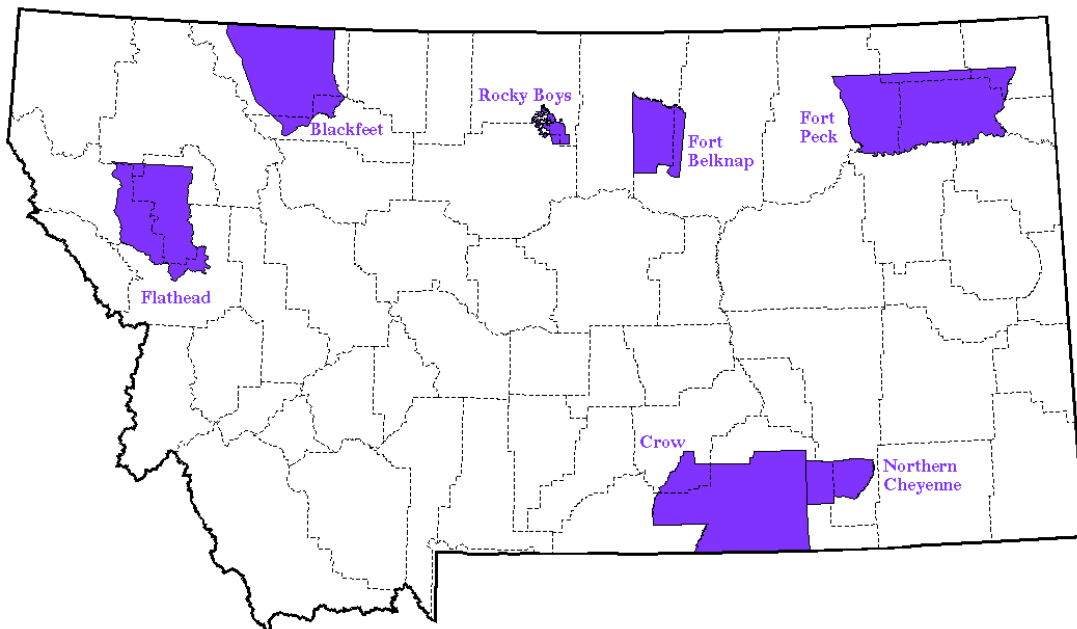
FY 2024 GCD Distribution of Revenue				
Revenue Source	Total Collected	Distribution of Funds		
		Local Govt.	Gambling Control	General Fund
Antique Slot Machine Dealer	\$ 100		\$ -	
Bingo & Keno Permit Fees	\$ 43,350		\$ 43,350	
Calcutta Application Fees	\$ 9,525		\$ 9,525	
Card Dealer License Fees	\$ 13,780		\$ 13,780	
Card Room Contractor Fees	\$ 5,100		\$ 5,100	
Card Table Permit Fees	\$ 58,750	\$ 39,200	\$ 19,550	
Card Tournament Fees	\$ 14,360		\$ 14,360	
Casino Night Permit Fees	\$ 1,350		\$ 1,350	
Fines/Penalties	\$ 13,241		\$ 13,241	\$ 13,241
Lab Test Fees	\$ 138,525		\$ 138,525	
Live Bingo & Keno Tax	\$ 4,645	\$ 4,645		
Manufacturer/Route Operator License Fees	\$ 69,522		\$ 69,522	
Operator License Fees	\$ 146,383		\$ 146,383	
Sports Tab Tax	\$ 2,715		\$ 2,715	
Background Checks	\$ 41,032		\$ 41,032	
VGM Gross Income Tax	\$ 83,376,730		-	\$ 83,376,730
VGM Permit Fees	\$ 4,163,365	\$ 1,736,850	\$ 2,426,515	
Totals	\$ 88,102,473	\$ 1,780,695	\$ 2,944,948	\$ 83,389,971
Percent of Total	100.00%	2.02%	3.34%	94.65%

Tribal Gaming Compacts

The Indian Gaming Regulatory Act (IGRA) enacted by Congress in 1988 directs the State, upon the request of a tribe, to enter into negotiations for the conduct of class III gaming on Indian Reservations. Class III gaming, as defined under IGRA, includes video gambling machines and other casino-style games. No class III gaming, by tribal members or nonmembers, can be conducted on the reservation unless a compact is in place.

A team of representatives from the Governor's Office negotiates state-tribal compacts for the State on behalf of the Governor.

In existing tribal compacts, the State has negotiated the same types of games that are legal in Montana. Regarding conditions of play, the State has agreed to various payouts of up to \$5,000 for a limited number of tribally owned video gambling machines. The State has also agreed to allow a total number of video gambling machines on the reservation rather than limiting tribes to a specific number of machines to be placed in each tribal premises. State-licensed (e.g. non-tribal) facilities are limited to payouts of \$800 and may have no more than 20 video gambling machines.



In recent years, some tribes have introduced class II video gambling machines. The class II machines resemble class III video gambling machines but are not subject to a state compact because they are considered electronic aids to the play of bingo. The class II video gambling machines can be operated without a state-tribal gaming compact.

Status of Compact Negotiations

Blackfeet Tribe of the Blackfeet Reservation – A compact with the Blackfeet Tribe was terminated in 1997 after being in place for only a brief period. Negotiations with the Blackfeet Tribe began in June 2005 and another negotiation session was conducted in 2008 but did not result in a new gaming compact. Currently, the Blackfeet Nation operates the Glacier Peaks Casino, which offers class II gambling, in Browning.

Crow Tribe of the Crow Reservation – On February 7, 2014, the US Department of Interior published its approval of the 8th Amendment to the gaming compact with the Crow Tribe. The compact was originally entered into in 1998 and was scheduled to expire in 2003. A series of amendments continued the agreement, and now this 8th Amendment to the compact extends the agreement for another 15 years or until a new compact is signed, whichever occurs first. The Amendment calls for the parties to begin negotiations toward a new compact upon its approval by the Secretary of Interior.

Under the terms of the 8th Amendment to the compact, the number of class III video gambling machines the Tribe may offer was increased from 400 to 925. Of those class III video gambling machines, up to 1/3 may be categorized as “high stakes,” with wagers up to \$50 per play, and prizes up to \$5,000 per wager. The remaining two-thirds of the class III video gambling machines are categorized as “regular stakes,” with wagers up to \$10 per play, and prizes up to \$3,000 per wager.

Salish & Kootenai Tribes of the Flathead Reservation – The State and the Tribes entered into a five-year compact in 2001 which expired on November 30, 2006. The Tribes and the state negotiating team entered into negotiations in March 2006. Negotiations did not result in a new compact or an extension of the existing compact. On November 30, 2006, video gambling machine permits for 37 state-licensed gambling locations were canceled and all video gambling machines were removed from the reservation. The Tribes now operate the Kwa Taq Nuk and Gray Wolf Peaks casinos that offer class II video gambling machines and card games.

Gross Ventre & Assiniboine Tribes of the Fort Belknap Reservation – The State and the Fort Belknap Indian Community Council signed a state-tribal gaming compact in August 2007. This is the first gaming compact signed between the Tribes and the State since IGRA was signed into law in 1988. Under the agreement, the Tribes may have up to 400 Class III video gambling machines with a maximum wager of \$5 and maximum payout of \$2,000.

Assiniboine & Sioux Tribes of the Fort Peck Reservation – In December 2023, the State and the Assiniboine and Sioux Tribes of Fort Peck signed a new class III gaming compact, which was approved by the U.S. Department of Interior on January 23, 2024. In addition to other forms of gambling that are legal in Montana, the 2023 compact allows up to a total of 925 Class III machines to be operated within the Reservation, which includes maximum wagers of \$10 and maximum payouts of \$3000 for “regular stakes” machines. The compact also provides the Class III machines on any premises may be “high stakes” which may have a maximum wager of \$50 and a maximum payout of \$5,000. The Tribes may enter into a sports wagering agreement with the State of Montana Lottery Commission so long as those terms are consistent with the Indian Gaming Regulatory Act. Alternatively, the Tribes may contract with any approved vendor for sports wagering services. Sports wagering may only be conducted in Tribal and Indian-owned casinos within the Reservation.

Northern Cheyenne Tribe of the Northern Cheyenne Reservation – In January 2013, the Northern Cheyenne Tribe and the State of Montana signed a new class III gaming compact, which was approved by the U.S. Department of Interior on March 8, 2013. In addition to other forms of gambling that are legal in Montana, the 2013 compact allows to be operated within the Reservation up to 750 class III machines at tribal casinos located within the Reservation and on the Tongue River Reservoir Trust Lands. The compact provides for maximum payouts of \$3,000.

Chippewa-Cree Tribe of the Rocky Boy’s Reservation – In December 2012, the State and the Chippewa Cree Tribe signed a new class III state-tribal gaming compact, which was approved by the U.S. Department of Interior on February 4, 2013. In addition to other forms of gambling that are legal in Montana, the 2012 compact allows up to 750 class III machines to be operated within the Reservation, with maximum wagers of up to \$10. The compact provides for maximum payouts of \$3,000 in up to 500 machines, and maximum payouts of \$5,000 in up to 250 machines.

For more information and links to the current compacts, visit our website:

<https://dojmt.gov/gaming/state-tribal-gaming-compacts/>.



2023 - 2024 Gaming Advisory Council **Report to the Department of Justice and the 2023 Legislature**

Council Members:

NAME	REPRESENTING	LOCATION	TERM
Sen. Jeremy Trebas	Legislature (Senate)	Great Falls	June 2023-May 2026
Merle Frank	Gaming Industry	Billings	Dec 2017-Dec 2026
Mike Kenneally	Gaming Industry	Butte	Jan 2014-Dec 2026
Travis Woltermann	Gaming Industry	Billings	Jan 2023 – Dec 2026
Scott Aspenlieder (Chair)	Public at Large	Billings	Apr 2021-Apr 2024
Samson Boyd*	Native Americans	Helena	Oct. 2021-Oct. 2023
Amanda Peterman	Native Americans	Hardin	Jan 2024 – Dec 2027
Garret McFarland	Local Government	Miles City	May 2021-May 2024
Gregory Frazer	House of Rep.	Deer Lodge	May 2021-May 2023
Jesse Ramos*	Local Government	Helena	Mar. 2021-Mar 2023
Lee Randall	Local Government	Broadus	Jan 2023 – Dec 2026

* indicates member is no longer active.

The Gaming Advisory Council is authorized by statute ([2-15-2021, MCA](#)). The statutory duties assigned to the Gaming Advisory Council (GAC) are:

- to hold meetings and study all aspects of gambling in Montana;
- to review and comment on administrative rules proposed by the Department; and
- to submit a biennial report to the Department of Justice and the Legislature with recommendations regarding the state’s gambling laws and the Department’s administrative rules and operations.

The GAC has nine members: one member each from the Senate and House of Representatives, one public member, two local government representatives, one Native American representative and three gaming industry representatives. The President of the Senate and the Speaker of the House appoint the legislators to the Council, while the Attorney General selects the remaining members. Each member serves a three-year term.

Gaming Advisory Council Deliberations and Activities

This section provides a brief summary of each of the meetings that took place in the interim between the 2023 and 2025 legislative sessions. The minutes of all Gaming Advisory Council Meetings are available on the Department of Justice website at <https://dojmt.gov/gaming/gaming-advisory-council/>.

October 27th, 2022 – The first meeting of FY23 was held in Billings.

Mr. Gackle provided a high-level update on the Operations Section, noting the positive feedback received following moving the Division Tax & License Department to Billings.

Division Staff provided updates for the Investigations Section, Technical Services and quarterly statistics.

The Alcohol Beverage Control Division provided a handout that included high-level legislative updates and updates regarding ABCD activities. Montana Council on Problem Gambling, and Montana Lottery also provided updates. Montana Board of Horse Racing and Montana Indian Gaming Association were invited but unable to attend.

February 9th, 2023 – The Council met in Helena to further discuss the issues introduced during the October meeting. Division staff provided updates for the Operations Section, Investigations Section, and the Technical Services Section. The Council welcomed new members, Travis Woltermann and Lee Randall. The Council elected to vote on a new chairman via email ballot.

Administrator, Jason Johnson, discussed wanting to create a Town hall event and invite the industry to help educate licensees, while also providing necessary training.

Updates were provided by the Alcohol Beverage Control Division, Montana Board of Horse Racing, Montana Lottery, and the Montana Council on Problem Gambling. The Montana Indian Gaming Association was invited but unable to attend.

May 18th, 2023 – This Council meeting was held in Billings and via Teams. Division staff provided updates for the Operations Section, Investigations Section, and the Technical Services Section. Mr. Johnson discussed that GCD was working on Legislative updates with rules and elicited feedback. He also presented a brief overview to the Council on the Division's staffing.

Ms. Shauna Helfert of the Gaming Industry Association requested to add a discussion regarding the modernization of Fantasy Sports to the next meeting.

Updates were provided by the Montana Board of Horse Racing, Alcohol Beverage Control Division, Montana Council on Problem Gambling, Montana Lottery, and the Indian Gaming Association were invited but unable to attend.

September 27th, 2023 – The first Council meeting of FY24 was held in Great Falls, immediately following the Montana Taverns Association convention. Mr. Johnson referenced the MTA General Session immediately preceding the Council meeting, where Attorney General Austin Knudsen provided numerous updates on changes during the 2023 Legislative session. Furthermore, Administrator Johnson discussed the formation of the ABCD/GCD Subcommittee to identify and correct internal and external inefficiencies between the two agencies.

Division staff provided updates for the Operations Section, Investigations Section, and the Technical Services Section.

Updates were provided by the Alcohol Beverage Control Division, including that ABCD was currently working on putting together rule packets following the Legislative session. The Montana Lottery and Montana Board of Horse Racing also provided updates. The Montana Indian Gaming Association and the Montana Council on Problem Gambling were invited but unable to attend.

January 11, 2024 – This meeting was held in Billings. Division staff provided updates for the Operations Section, Investigations Section, and the Technical Services Sections.

Industry members provided updates as did ABCD. Furthermore, there was moderate discussion regarding the proposed rule change on Entertainment Displays.

Guest Senator Mandeville presented to the council on discussing amending the definition of “fantasy sports” in statute.

Vince Pontrelli also presented to the Council and requested that GAC Council legislators consider sponsoring a bill to allow historical gaming operations (such as roulette, blackjack, craps, and others) during living history events. He proposed that fake money,

or actual money of “minimal value” be allowed to be used during these games and that any money would be strictly for education and donation purposes.

May 2, 2024 – This meeting was held in Billings and via Teams. The Council welcome the new Native American representative, Amanda Peterman, to the Council.

Division staff provided updates for the Operations Section, Investigations Section, and the Technical Services Section.

Industry members provided updates, as did Department of Revenue’s ABCD. The joint advisory committee between GCD and ABCD to improve efficiency and reduce redundancies was reported to be working well. Mr. Woltermann was added to this committee as a representative of the GAC.

Mr. Pontrelli attended the GAC meeting again in May and indicated he would be pursuing other avenues to connect with legislators on carrying a bill that would allow antique gambling demonstrations.

Fiscal Year 2023 Video Gambling by City					
CITY	Number of Video Gambling Machines	Estimated Population (7/1/2022)	Average persons per VGM	Number of Gambling Locations	Video Gambling Tax Collected
Belgrade	209	11,608	56	13	\$ 1,251,914
Billings	2299	117,445	51	132	\$ 14,657,608
Bozeman	468	54,539	117	34	\$ 3,363,104
Columbia Falls	192	5,545	29	13	\$ 1,004,729
Deer Lodge	107	2,935	27	9	\$ 471,619
Dillon	116	3,976	34	13	\$ 552,003
Glendive	217	4,871	22	16	\$ 970,627
Great Falls	1414	60,403	43	88	\$ 6,651,134
Hamilton	203	4,905	24	14	\$ 1,072,864
Havre	330	9,314	28	25	\$ 1,088,729
Helena	761	33,120	44	53	\$ 4,387,630
Kalispell	658	26,110	40	38	\$ 4,144,273
Laurel	231	7,180	31	13	\$ 1,126,980
Lewistown	163	6,048	37	14	\$ 621,800
Livingston	218	8,386	38	16	\$ 1,109,182
Miles City	254	8,397	33	19	\$ 1,105,088
Missoula	1075	74,822	70	72	\$ 6,056,822
Sidney	212	6,197	29	17	\$ 943,009
Whitefish	171	8,492	50	12	\$ 963,526

Fiscal Year 2024 Video Gambling by City					
CITY	Number of Video Gambling Machines	Estimated Population (7/1/2023)	Average persons per VGM	Number of Gambling Locations	Video Gambling Tax Collected
Belgrade	188	12,509	67	12	\$ 1,288,657
Billings	2339	120,864	52	135	\$ 15,333,599
Bozeman	469	57,305	122	33	\$ 3,792,286
Columbia Falls	204	5,723	28	13	\$ 986,114
Deer Lodge	126	3,030	24	10	\$ 522,981
Dillon	113	4,176	37	12	\$ 574,163
Glendive	231	4,796	21	18	\$ 1,081,558
Great Falls	1425	60,422	42	88	\$ 6,854,426
Hamilton	201	5,268	26	14	\$ 1,096,818
Havre	330	9,330	28	25	\$ 1,172,873
Helena	781	34,464	44	53	\$ 4,525,224
Kalispell	691	29,886	43	40	\$ 4,328,433
Laurel	250	7,193	29	14	\$ 1,193,047
Lewistown	163	6,149	38	14	\$ 677,820
Livingston	211	8,908	42	16	\$ 1,023,348
Miles City	260	8,438	32	19	\$ 1,218,218
Missoula	1087	77,757	72	72	\$ 6,041,451
Sidney	210	6,112	29	17	\$ 979,049
Whitefish	176	9,163	52	13	\$ 957,971

*Bureau, US Census. "City and Town Population Totals: 2020-2023." *The United States Census Bureau*, 1 July 2023, www.census.gov/data/tables/time-series/demo/popest/2020s-total-cities-and-towns.html.

Fiscal Year 2023 Video Gambling by County			
COUNTY	Number of Video Gambling Machines	Number of Gambling Locations	Video Gambling Tax Collected
BEAVERHEAD	173	24	\$619,217
BIG HORN	185	12	\$627,873
BLAINE	89	9	\$225,526
BROADWATER	128	10	\$594,334
CARBON	246	23	\$681,853
CARTER	7	2	**
CASCADE	1895	121	\$8,251,019
CHOUTEAU	86	15	\$160,694
CUSTER	284	21	\$1,105,088
DANIELS	58	6	\$68,142
DAWSON	291	21	\$988,204
DEER LODGE	260	26	\$855,937
FALLON	75	8	\$201,233
FERGUS	229	24	\$703,934
FLATHEAD	1673	101	\$7,971,006
GALLATIN	974	75	\$5,703,448
GARFIELD	15	2	**
GLACIER	196	10	\$480,034
GOLDEN VALLEY	24	4	\$36,439
GRANITE	36	5	\$86,821
HILL	426	33	\$1,252,672
JEFFERSON	182	15	\$571,770
JUDITH BASIN	30	6	\$86,333
LAKE	70	8	\$88,153
LEWIS AND CLARK	1122	80	\$5,976,166
LIBERTY	16	3	\$16,723
LINCOLN	587	39	\$1,427,237
MADISON	112	15	\$313,898
MCCONE	23	4	\$60,801
MEAGHER	54	6	\$139,993
MINERAL	254	16	\$551,684
MISSOULA	1532	101	\$7,630,188
MUSSELSHELL	80	7	\$277,659
PARK	314	27	\$1,266,932
PETROLEUM	2	1	**
PHILLIPS	122	15	\$341,144
PONDERA	79	11	\$266,750
POWDER RIVER	42	4	\$107,975
POWELL	134	12	\$499,503
PRAIRIE	25	4	\$31,113
RAVALLI	497	31	\$2,009,381
RICHLAND	358	27	\$1,453,787
ROOSEVELT	314	22	\$1,147,755
ROSEBUD	167	13	\$509,136
SANDERS	258	19	\$780,372
SHERIDAN	194	14	\$389,506
SILVER BOW	1100	85	\$4,339,465
STILLWATER	163	15	\$559,445
SWEET GRASS	46	6	\$211,893
TETON	82	10	\$164,167
TOOLE	135	15	\$353,987
TREASURE	0	0	**
VALLEY	173	21	\$597,139
WHEATLAND	73	10	\$119,119
WIBAUX	56	3	\$194,307
YELLOWSTONE	3076	169	\$16,534,675

**Confidential tax information (only two or less licensed gambling locations in this county)

Fiscal Year 2022 Video Gambling by County			
COUNTY	Number of Video Gambling Machines	Number of Gambling Locations	Video Gambling Tax Collected
BEAVERHEAD	178	22	\$ 561,569.00
BIG HORN	160	10	\$ 674,520.00
BLAINE	95	9	\$ 231,380.00
BROADWATER	121	10	\$ 628,449.00
CARBON	285	26	\$ 692,313.00
CARTER	7	2	**
CASCADE	1820	121	\$ 7,611,749.00
CHOUTEAU	74	14	\$ 160,691.00
CUSTER	301	22	\$ 1,162,342.00
DANIELS	53	6	\$ 80,739.00
DAWSON	260	22	\$ 965,453.00
DEER LODGE	265	26	\$ 865,187.00
FALLON	71	8	\$ 193,871.00
FERGUS	208	25	\$ 710,808.00
FLATHEAD	1524	96	\$ 7,983,430.00
GALLATIN	935	77	\$ 5,235,253.00
GARFIELD	15	2	**
GLACIER	163	9	\$ 563,344.00
GOLDEN VALLEY	18	3	\$ 39,824.00
GRANITE	34	5	\$ 75,101.00
HILL	429	33	\$ 1,301,885.00
JEFFERSON	172	16	\$ 545,352.00
JUDITH BASIN	35	7	\$ 96,056.00
LAKE	35	5	\$ 85,069.00
LEWIS AND CLARK	1129	81	\$ 5,857,002.00
LIBERTY	17	3	\$ 24,116.00
LINCOLN	550	41	\$ 1,406,727.00
MADISON	116	16	\$ 317,433.00
MCCONE	30	6	\$ 71,512.00
MEAGHER	64	8	\$ 123,879.00
MINERAL	204	15	\$ 546,733.00
MISSOULA	1561	108	\$ 7,712,312.00
MUSSEL SHELL	101	9	\$ 255,005.00
PARK	330	31	\$ 1,249,099.00
PETROLEUM	2	1	**
PHILLIPS	108	13	\$ 323,384.00
PONDERA	80	12	\$ 268,827.00
POWDER RIVER	41	5	\$ 105,446.00
POWELL	136	10	\$ 501,235.00
PRAIRIE	17	3	\$ 29,978.00
RAVALLI	484	34	\$ 1,945,548.00
RICHLAND	336	26	\$ 1,390,485.00
ROOSEVELT	301	21	\$ 1,135,156.00
ROSEBUD	164	14	\$ 549,358.00
SANDERS	238	18	\$ 768,979.00
SHERIDAN	185	14	\$ 417,613.00
SILVER BOW	1093	82	\$ 4,445,564.00
STILLWATER	157	14	\$ 541,071.00
SWEET GRASS	41	7	\$ 196,462.00
TETON	78	10	\$ 167,958.00
TOOLE	136	16	\$ 367,473.00
TREASURE	0	0	**
VALLEY	172	21	\$ 556,231.00
WHEATLAND	50	8	\$ 112,013.00
WIBAUX	47	3	\$ 196,038.00
YELLOWSTONE	3070	169	\$ 15,972,105.00

**Confidential tax information (only two or less licensed gambling locations in this county)