



**GAMING ADVISORY COUNCIL**  
*MINUTES*

*September 11, 2024*  
*Havre, MT*

This is a summary of the Council meeting. A recording of the meeting is held 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**

Travis Woltermann, Amanda Petersen (online), Jason Johnson, Mike Kenneally, Merle Frank

**DIVISION STAFF PRESENT**

Jason Johnson (Administrator)  
Ashley Corbally (Administrative Officer)  
Matt Eckdahl (Technical Services Supervisor)

**SUMMARY OF COUNCIL ACTION**

- **The Council voted unanimously to approve the minutes from the May 2024 meeting.**

**CALL TO ORDER AND ROLL CALL**

Council chair, Scott Aspenlieder, was unable to make it, so Travis Woltermann called the meeting to order at 4:00 p.m. The Council unanimously approved the minutes from the May 2nd meeting.

**GAMBLING CONTROL DIVISION UPDATE**

**Operations Update**

Administrator, Jason Johnson, discussed the ongoing struggle with illegal online gaming organizations attempting to do business in Montana. With a fine of \$500, it might be worth discussing the increase of fines to better deter companies. Some companies are offshore and don't have mailing addresses or contact information to send a legal notice to, so that makes it difficult. Additionally, it's primarily companies offering "free sweepstakes coins."

Mr. Wolterman asked if the fine is a one-time fine per company or is it per person in their database? Jason discussed that, for example, a recent case with Prediction Strike (online gaming with 140 customers in MT), it would be possible to go after the company for each individual infraction with the fine. This would be

something worth discussing having a legislator carry a bill for that. It was also mentioned by others in attendance, that every wager/transaction would be a fine and those fines would add up quickly. This would better deter online gaming organizations if they had notable fines imposed.

Ms. Helfert reiterated that online gaming is the biggest threat to the industry. She suggested perhaps increasing the fine to \$1,500 per violation, as that is also what ABCD does. Additionally, she asked if it would be better for Industry members to seek a legislator to carry a bill like that or if it is something the Department of Justice would prefer to do. Jason stated that the DOJ does not introduce bills, as they believe the industry knows best what they need. Jason asked to add this as an agenda item moving forward.

Mr. Johnson relayed that GCD took a proactive approach with licensees to prepare them for renewal time and it was successful and well received. After reviewing that success, GCD has opted to engage an existing GCD employee as a Business Outreach Coordinator. This would be someone who would be looking for opportunities to do things like this and serve businesses.

Pete Tripp will be retiring Dec. 31<sup>st</sup> this year, so GCD will be looking to hire a VGM inspector in Missoula.

Mr. Johnson also updated the Council that the GCD Helena office will be relocating again around mid-November into the Mazurek Building in Helena.

### **Technical Services Section Update**

Mr. Eckdahl provided an update on Technical Services. Since the last GAC meeting, the lab has conducted 700 VGM inspections and completed testing on 23 VGM/Tier 1 software submissions. There are now 9,101 VGMSs reporting through approved Tier 1 systems at 498 locations. This is 55% of all permitted machines and 39% of all establishments with VGMSs.

Mr. Eckdahl also stated that we had a negative tax amount \$142,000 for Q4, which brings FY24 total to \$562,000, a result of HB297 from the last session.

### **Statistics**

Ms. Corbally provided an update on the Q4 FY24 statistics for GCD. GCD had a record year of tax revenue, at \$83.1M. She pointed out that revenues have continued to steadily increase since FY20 and it is a testament to the efforts of small businesses in Montana. It was also a record year for card tables permitted - 196 tables were permitted/licensed at the end of FY24, a 20% increase over FY23.

### **OTHER UPDATES**

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

Steve Swanson provided an update on ABCD. Regarding the ABCD advisory committee, Mr. Swanson stated that 3 meetings have taken place, and the next one is coming up and meeting date/details will be provided soon. Mr. Swanson stated that the advisory committee meeting minutes are available on the ABCD site for review.

ABCD will be introducing 2 bills during this legislative session to clean up language from the 2023

session.

The warehouse is anticipated to be completed summer 2025.

### **Montana Lottery Update**

Montana Lottery was invited but unable to attend.

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

John Hayes was invited but unable to attend.

### **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. Mr. Longcake thanked all of the active contributors to Problem Gambling. The Council is still down a few counselors to fill the gaps of counselors that have retired or stepped down. \$71.52 is the average cost to provide an hour of counseling in the State. They've seen just under 600 individuals for the year, which is consistent with how many they've served in previous years.

The Council is saving approximately \$1,000/mo. by switching their accountant. Some of the duties are being done inhouse and some are still outsourced, but overall, it's been an improvement for Problem Gambling.

### **Association Representatives**

John Iverson with Montana Tavern Association just wrapped up the MTA Convention. The convention next year will be held at Fairmont Hot Springs.

Shauna Helfert, Gaming Industry Association, has expressed their appreciation for working with the DOJ and for the efforts.

Rhonda Wiggers, Coin Machine Operators, stated that they had a great speaker at the conference held at Fairmont this summer on human trafficking. She highly recommended that. The COA won't be carrying any bills forward this session, but will help carry other bills that are supported by the Council this session.

### **Old Business**

#### *Indian Gaming Compact –*

No additional updates from the DOJ on the current gaming compact discussions.

#### *Modernization of Fantasy Sports-*

Mr. Johnson stated that he hasn't heard anything further about this, but wanted to be sure that the GAC was

continuing to stay abreast on if something is coming up regarding this.

*Law and Rule change proposal for Slots from GIA, presented by Shauna Helfert –*

Ms. Helfert reiterated that the GIA would like to remove the prohibition against using the word “slot” from being used in advertising. GIA would not necessarily want to carry a bill just for the word change, but would be more interested in knowing if the GIA would have the Council’s ‘blessing’ if a bill was put forward.

Mr. Woltermann asked what good it will bring to the industry, or potentially, what can of worms might we be opening by allowing the term “slot”, since it was eliminated from language in a previous legislature.

Rhonda Wiggers stated that CoinOp board was concerned with this change, but indicated there is a Great Falls zoning discussion about excluding casinos. The concern is that if the word ‘slot’ was used in advertising, it wouldn’t necessarily bring us more customers, but it might bring 5 more at the City Council complaining about it. Is there a benefit that outweighs the risk?

Ms. Helfert stated that the benefit is primarily for out of state people traveling to Montana. They don’t know what “reel” or a “line game” is, but they do know what a “slot” machine is. It would be purely for more clear advertising.

Ms. Peterman suggested that perhaps ‘line game’ could be part of the advertising. For example, “if you don’t know what a line game is, come in and see...”

Mr. Johnson stated we will keep this on the agenda for the January meeting and finalize what GAC’s position will be going into the session.

*Intralot and Problem Gambling Contributions*

Mr. Longcake stated he still has not received any funds or correspondence from Intralot and indicated he would reach out to the company that oversees them. They seem to participate only in legislative years.

**New Business**

No new business.

**Public Comment**

Councilman Wolterman adjourned the meeting at 4:46 pm.

Minutes respectfully submitted by Ashley Corbally.