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### March Madness & Multiple Competitor Sports Pools



As March Madness approaches, we thought it would be helpful to share some of the recent changes to Montana law and rule when it comes to sports pool boards. With the 2021 legislative adoption of unlimited prices and prizes and new language for multiple Competitor Sports Pools, things look a little different these days.

MCA 23-5-501 defines "Multiple Competitor Sports Pool" as a sports pool in which three or more competitors simultaneously compete in a college or professional sports event or series of sports events. **The term includes but is not limited to a sports event in which competitors are placed into a bracket.** (b) The term **does not include** Multiple Competitor Sports pools utilizing **any form of internet gambling** as defined in 23-5-112.

MCA 23-5-512 (2) helps to provide a guideline for offering a multiple competitor sports pool. Here are the highlights to keep in mind.

- A multiple competitor sports pool must be designed to ensure that there is at least one winner, but there may be categories of winners among the participants in the pool.
- A participant's chance to win the pool may be based on the participant's relative skill in selecting competitors in a sports event or series of sports events.
- (b) Nothing in subsection (2)(a)(ii) requires competitors in a multiple competitor sports pool to be randomly assigned to a participant in a sports pool.

Still have some questions? Maybe this will help.

1. **Does this new bill apply to all sports?** The new law requires "three or more competitors in a sports event or series of sports events." The law adds, "The term includes but is not limited to a car race or races, golf or basketball tournaments, or a sports event where competitors are placed into a bracket." It is clear the law applies to car racing, golf, and basketball, but nothing in the law limits or excludes other sports.

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## 2. How does this differ from the multiple competitor sports pool boards we run now?

Using an NCAA basketball tourney as an example, here are some differences:

|                        | Old Style NCAA Sports Pools   | Newly Authorized NCAA Pools   |
|------------------------|---|---|
| Type of board          | 64-space board  | Could be a variety of formats and no consistent appearance & may include brackets.  |
| Prize                  | Cash or merchandise   | Cash or merchandise   |
| Number of winners      | Determined by placement of winners in sporting event.   | May be multiple winners based on predetermined “categories of winners” established in the game rules, and not necessarily based on who wins the sporting event. |
| Chances                | Limited to \$100 per entry maximum and \$2,500 per board maximum value<br>(Ended Oct 1, 2021) | Unlimited entry and board value.<br>***Remember that unpurchased chances must be purchased by the board sponsor.  |
| Number of participants | Equal to the number of competitors entered or remaining in a sports event                     | Unlimited. Can utilize any number of competitors in the sports event at any time.   |

If a tournament format is used, the following rules and procedures are the same in the old style and the newly authorized form of multiple competitor sports pools:

- Each chance must cost the same amount for every participant
- Payouts must occur immediately at the end of the tournament or after the final event
- All entries must be finalized before the start of the tournament
- General rules on recordkeeping apply (e.g., boards/records must be retained and available for inspection for 90 days after the final event)
- Nonprofit can retain a percentage only if the nonprofit is a licensee (up to 50%)
- Nonprofit beneficiary is allowed if a licensee declares a percentage of the pool (up to 50%) will be donated

## 3. For NASCAR races, can I have a pool of just the top ten drivers in the race instead of all 40 now?

Yes, so long as the rules assure there will be a winner and, prior to any sales, the sponsor must indicate the number of chances to be sold in each pool (this could be anything from 1 to unlimited), the name of the event or series of events, the consideration to be paid for each chance, and the total amount or percentage to be paid to the winners.

## 4. Can participants pay me in cash, check or debit for this? How about on their app?

Nothing in the new law changes the longstanding statutes and rules prohibiting credit gambling. No credit cards are allowed at any point of the process of participating in a sports pool board or any form of gambling.

Finally, March Madness season also means Calcutta auctions will be taking place. Be sure to check out our [Calcutta Guidelines](#) and other resources on our [website](#).

Good luck!

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Department of Justice – Gambling Control