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GAMBLING CONTROL DIVISION

**BEFORE THE DEPARTMENT OF JUSTICE  
GAMBLING CONTROL DIVISION**

<p>In the Matter of the Proposed Department Action Against</p> <p><b>Providing Hope VA, d/b/a Providing Hope VA,</b></p> <p>Respondent.</p>	<p>CASE NO. 0-789-553-152</p> <p><b>SETTLEMENT AGREEMENT</b></p>
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The Division has alleged that Providing Hope VA (Respondent) offered a raffle in violation of Mont. Code Ann. § 23-5-413(2)(c) and (3)(a) by conducting a series of nationwide and international internet-based raffles, under the authority of a Montana gambling registration, that reached raffle purchasers in jurisdictions where such raffles were illegal and applied a substantial portion of the proceeds of those raffles on administrative costs rather than for charitable purposes or to pay for prizes.

The parties agree to resolve this matter through a stipulated settlement. Based on the mutual covenants contained in this agreement, the parties agree as follows:

**Admission of Violation.** Respondent admits the facts and violations alleged in the Division's Amended Notice of Proposed Department Action.

**Agreed Sanction.** Respondent will accept the following sanction:

A. Respondent's nonprofit raffle registration will be revoked

B. Respondent shall pay a civil penalty of \$10,000, of which \$5,000 is *stayed*, for each raffle conducted in violation of Montana law following its registration on August 24, 2020. Respondent offered seven raffles from September 5, 2020 through December 31, 2020, for a total penalty of \$70,000 before applying the stay.

Staying \$5,000 of the penalty on each raffle results in a penalty now due totaling \$35,000 (7 raffles x \$5,000 penalty per raffle).

With Respondent's voluntary agreement, that civil penalty shall be apportioned as follows:

1. \$15,000 payable by cashier's check or money order made payable to "Montana Veterans Foundation."

The Montana Veterans Foundation operates the Willis Cruse House located near Helena. This organization is registered with the Montana Secretary of State as a domestic nonprofit corporation. Montana Veterans Foundation serves homeless veterans and assists veterans with employment, aligning benefits, life skills, sobriety and regaining self-sufficiency and self-worth.

Montana Veterans Foundation, Willis Cruse House  
Desiree Bain, Director/Manager of Operations  
2047 N. Last Chance Gulch  
#387  
Helena, MT 59601

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2. \$5,000.00 payable by cashier's check or money order made payable to "Montana Warriors on the Water."

Montana Warriors on the Water offers veterans fishing and hunting outings from its headquarters in Miles City. This organization is registered with the Montana Secretary of State as a domestic nonprofit corporation. Montana Warriors on the Water is an all-volunteer organization whose mission is to provide outdoor recreation opportunities to veterans (both from Montana and elsewhere) on Ft. Peck Lake and across eastern Montana. These recreational outings express gratitude for veterans' service and provide connections with veterans who may be suffering from physical injuries or psychological effects of war.

Montana Warriors On The Water  
John Monford Executive Director  
PO Box 832  
Miles City, MT 59301

3. \$5,000.00 payable by cashier's check or money order made payable to "Montana Wounded Warriors, Inc."

Montana Wounded Warriors offers veterans hunting and fishing outings from its headquarters in Kalispell. This organization is registered with the Montana Secretary of State as a domestic nonprofit corporation. Montana Wounded Warriors serves Montana veterans who served in Iraq or Afghanistan and suffered a service-related injury.

Montana Wounded Warriors, Inc.  
Kristi Taylor, CPA  
Secretary / Treasurer  
PO Box 5452  
Kalispell, MT 59903

4. \$10,000.00 payable by cashier's check or money order made payable to "Gambling Control Division," and addressed to:

Legal Unit  
Gambling Control Division  
PO Box 201424  
Helena MT 59620-1424

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C. Respondent will accept a permanent cease and desist order prohibiting

Providing Hope VA from:

- i. conducting raffles under the jurisdiction and laws of the State of Montana; or
- ii. advertising for, or making sales of, raffle tickets over the internet which claim or imply Providing Hope VA is a nonprofit organization registered with the Gambling Control Division and its internet raffles are authorized by the Montana Department of Justice, Gambling Control Division or are otherwise permissible under Montana law. Mont. Code Ann. § 23-5-136(1)(b)(i).

D. Respondent shall serve a two-year probationary term commencing on the date of the Division's receipt of the \$35,000 presently imposed. The condition of the probation will be that Respondent will faithfully obey the cease and desist order noted above along with all gambling statutes and regulations. If Respondent completes the two-year probationary period without any different or further violations, the remaining \$35,000 portion of the civil penalty will be deemed satisfied and vacated. However, if during the two-year period Respondent commits any other act which amounts to a violation of a gambling statute or rule, *regardless of when that conduct is discovered*, the Division shall have the right to impose and collect the stayed portion of the penalty and seek any appropriate penalty for the subsequent violation.

**Acknowledgement of Rights.** Respondent, represented by counsel, has read and understands each term of the Amended Notice of Proposed Department Action and Opportunity for Hearing and this Settlement Agreement, and understands the various rights provided, including the right to a hearing before an impartial hearing examiner, appointed by the Department of Justice, the right to present evidence and testify and

confront and cross-examine witnesses at the hearing, the right to be represented by legal counsel, the right to subpoena witnesses, the right to request judicial review and appeal, and all other rights under Mont. Code Ann. Title 2, ch. 4, pt. 6 (Montana Administrative Procedure Act), and other applicable law. Respondent desires to avoid unnecessary expenditure of time and other valuable resources to resolve this matter.

**Waiver of Rights.** Respondent voluntarily and knowingly waives the rights listed above and elects to resolve this matter on the terms and conditions of this Settlement Agreement and acknowledges that no promise, other than those contained in this Settlement Agreement, and no threat or improper assertion has been made by the Division or by any member, officer, agent, or representative of the Division to induce Respondent to enter into this Settlement Agreement.

**Complete Agreement.** The parties agree that this will be a final compromise and settlement of issues enumerated and represents the parties' complete agreement. This agreement supersedes any prior negotiations, and the parties make no further agreements not set forth in this document.

**Public Record.** The parties acknowledge that this matter is public record subject to disclosure as provided by Mont. Code Ann. §§ 23-5-116 (Gambling Code), 2-4-623 (Administrative Procedure Act) and Title 2, Chapter 6, part 10 MCA (Public Records).

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**Final Agency Action.** The parties agree that the Division shall issue a final agency action consistent with the parties' Settlement Agreement.

Providing Hope VA

By:   
Authorized Representative

Date: 2/24/21

Silverman Law Office, PLLC

By: Joel Silverman

Date: 2/25/21

Department of Justice,  
Gambling Control Division

  
MICHAEL L. FANNING

Ass't Attorney General

Date: 2/25/2021