

1 _____ BILL NO. _____

2 INTRODUCED BY _____
3 (Primary Sponsor)

4 A BILL FOR AN ACT ENTITLED: "AN ACT GENERALLY REVISING GAMBLING LAWS; REVISING LAWS
5 RELATING TO LIVE GAMBLING TO ALLOW WILD WEST CASINO NIGHTS FOR HISTORICAL EDUCATION;
6 ALLOWING CERTAIN NONPROFIT INDIVIDUAL LIVING HISTORY VOLUNTEERS AND HISTORICAL
7 ORGANIZATIONS TO CONDUCT LIVE GAMBLING UNDER CERTAIN CIRCUMSTANCES; GRANTING
8 EXEMPTIONS FOR FEES; REVISING LAWS RELATING TO ANTIQUE GAMBLING DEVICES; EXTENDING
9 RULEMAKING AUTHORITY; PROVIDING A DEFINITION; AMENDING SECTIONS 23-5-112, 23-5-153, 23-5-
10 161, 23-5-162, 23-5-311, 23-5-313, 23-5-406, 23-5-407, 23-5-408, 23-5-409, 23-5-410, 23-5-414, 23-5-424, 23-
11 5-425, AND 23-5-426, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

12
13 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

14
15 NEW SECTION. **Section 1. Wild west casino nights -- purpose -- definition.** (1) [Sections 1
16 through 5] may be referred to as the "Wild West Casino Nights Act".

17 (2) The purpose of [sections 1 through 5] is to allow for historical education and fundraising for
18 living history nonprofit organizations.

19 (3) Unless the context requires otherwise, for the purposes of this part, the term "wild west casino
20 night" means a fundraising event during which wagers may be made in antique gambling activities authorized
21 under 23-5-311 through the use of imitation money that may be purchased by participants.

22
23 NEW SECTION. **Section 2. Wild west casino nights authorized.** (1) A living history nonprofit
24 organization may conduct or participate in a wild west casino night. Entities covered under this section may
25 consist of the following:

- 26 (a) a nonprofit living history organization;
- 27 (b) an individual living history volunteer; or
- 28 (c) a history reenacting organization.

- 1 (2) The following gambling activities may be conducted during a wild west casino night:
- 2 (a) live gambling authorized under 23-5-311;
- 3 (b) the use of an apparatus, implement, or device, by whatever name known, specifically designed
- 4 to be used in conducting an illegal gambling enterprise, including a faro box, faro layout, roulette wheel, roulette
- 5 table, craps table, or slot machine;
- 6 (c) the use of antique gambling devices;
- 7 (d) card games;
- 8 (E) raffles; and
- 9 (F) any gambling activity defined in 23-5-112.
- 10 (3) A living history nonprofit organization that has obtained a permit MAY conduct a WILD WEST
- 11 casino night in compliance with the following conditions:
- 12 (a) except as provided in subsection (3)(B), a WILD WEST casino night may not last more than 12
- 13 consecutive hours; AND
- 14 (B) a WILD WEST casino night may be split into two separate, 6-consecutive hour sessions that may
- 15 not be held on the same day but must be held in the same calendar year.
- 16 (4) The WILD WEST casino night must be managed and operated only by members of the LIVING
- 17 HISTORY nonprofit organization that was issued the permit. The members may not be compensated for their
- 18 services.
- 19 (5) Only merchandise or cash may be awarded as prizes.
- 20 (6) Proceeds derived from the WILD WEST casino night, after payment of reasonable administrative
- 21 expenses, may be used only for a civic, charitable, or educational purpose, and administrative expenses may
- 22 not exceed 50% of the proceeds.
- 23 (7) If cash prizes are awarded, the prizes for bingo and keno may not exceed the prize AMOUNTS
- 24 established in 23-5-412. Live card games must be limited to those authorized in 23-5-311, and the prizes may
- 25 not exceed the prize amount established in 23-5-312.

26

27 NEW SECTION. Section 3. Application for permit. (1) A living history nonprofit organization may

28 apply to the department for a wild west casino night permit on a form prescribed and furnished by the

1 department. The application must be accompanied by a fee of \$25.

2 (2) The application must include:

3 (a) the name and address of the applicant;

4 (b) the name and address of the applicant's officers;

5 (c) sufficient evidence concerning the structure and operation of the organization to enable the
6 department to determine whether the applicant is a nonprofit organization; and

7 (d) other relevant information requested by the department.

8

9 **NEW SECTION. Section 4. Issuance of permit -- disposition of fee.** (1) After review of an
10 application submitted under [section 3], the department may issue to the applicant a wild west casino night
11 permit. Only one permit may be issued to the applicant each year.

12 (2) The department shall retain the fee provided for in [section 3] for administrative purposes.

13

14 **NEW SECTION. Section 5. Rules.** The department shall adopt rules to administer this part. At a
15 minimum, the rules must address application procedures and play of the games during a wild west casino night.

16

17 **Section 6.** Section 23-5-112, MCA, is amended to read:

18 **"23-5-112. Definitions.** Unless the context requires otherwise, the following definitions apply to parts
19 1 through 8 of this chapter:

20 (1) "Antique gambling device" means:

21 (a) an illegal gambling device manufactured prior to 1994; ~~or~~

22 (b) any gambling device which, at any present time, is 30 years old or older; or

23 (c) any original gambling or reproduction gambling device that is either manual or mechanical from
24 the period prior to 1877.

25 (2) "Applicant" means a person who has applied for a license or permit issued by the department
26 pursuant to parts 1 through 8 of this chapter.

27 (3) "Application" means a written request for a license or permit issued by the department. The
28 department shall adopt rules describing the forms and information required for issuance of a license.

1 (4) "Associated gambling business" means a person who provides a service or product to a
2 licensed gambling business and who:

3 (a) has a reason to possess or maintain control over gambling devices;

4 (b) has access to proprietary information or gambling tax information; or

5 (c) is a party in processing gambling transactions.

6 (5) "Authorized equipment" means, with respect to live ~~keno or bingo~~ gaming, equipment that may
7 be inspected by the department and that randomly selects the numbers.

8 (6) "Bingo" means a gambling activity played for prizes with a card bearing a printed design of 5
9 columns. The letters B-I-N-G-O must appear above the design, with each letter above one of the columns.
10 More than 75 numbers may not be used. One or more numbers may appear in each square, except for the
11 center square, which may be considered a free play. Numbers must be randomly drawn using authorized
12 equipment until the game is won by the person or persons who first cover one or more previously designated
13 arrangements of numbers on the bingo card.

14 (7) "Bingo caller" means a person 18 years of age or older who, using authorized equipment,
15 announces the order of the numbers drawn in live bingo.

16 (8) "Bingo session" means all activities incidental to a series of bingo games conducted by a
17 licensed operator beginning when the first bingo ball is drawn in the first game of bingo.

18 (9) "Card game table" or "table" means a live card game table:

19 (a) authorized by permit and made available to the public on the premises of a licensed gambling
20 operator; or

21 (b) operated by a senior citizen center; or

22 (c) operated by a registered nonprofit living history organization, an individual living history
23 volunteer, or a history reenacting organization under [sections 1 through 5].

24 (10) "Card game tournament" means a gambling activity for which a permit has been issued
25 involving participants who pay valuable consideration for the opportunity to compete against each other in a
26 series of live card games conducted over a designated period of time.

27 (11) "Dealer" means a person with a dealer's license issued under part 3 of this chapter.

28 (12) "Department" means the department of justice.

1 (13) "Distributor" means a person who:

2 (a) purchases or obtains from a licensed manufacturer, distributor, route operator, or operator
3 equipment of any kind for use in gambling activities; and

4 (b) sells the equipment to a licensed manufacturer, distributor, route operator, or operator.

5 (14) (a) "Gambling" or "gambling activity" means risking any money, credit, deposit, check, property,
6 or other thing of value for a gain that is contingent in whole or in part upon lot, chance, or the operation of a
7 gambling device or gambling enterprise.

8 (b) The term does not mean conducting or participating in:

9 (i) promotional games of chance;

10 (ii) amusement games regulated by Title 23, chapter 6, part 1;

11 (iii) social card games of bridge, cribbage, hearts, pinochle, pitch, rummy, solo, and whist played
12 solely for prizes of minimal value or no value, as defined by department rule; or

13 (iv) patron dice games as defined in this section.

14 (15) "Gambling device" means ~~a~~ an original or reproduction mechanical, electromechanical, or
15 electronic device, machine, slot machine, instrument, apparatus, contrivance, scheme, or system used or
16 intended for use in any gambling activity.

17 (16) "Gambling enterprise" means an activity, scheme, or agreement or an attempted activity,
18 scheme, or agreement to provide gambling or a gambling device to the public.

19 (17) (a) "Gift enterprise" means a gambling activity in which persons have qualified to obtain
20 property to be awarded by purchasing or agreeing to purchase goods or services.

21 (b) The term does not mean:

22 (i) a cash or merchandise attendance prize or premium that county fair commissioners of
23 agricultural fairs and rodeo associations may give away at public drawings at fairs and rodeos;

24 (ii) a promotional game of chance;

25 (iii) an amusement game regulated under Title 23, chapter 6;

26 (iv) a savings promotion raffle offered by a bank, trust company, mutual savings bank, savings and
27 loan association, or credit union authorized to do business and accept deposits in this state under state or
28 federal law and conducted in compliance with 23-5-413 that entitles individual members or depositors equal

1 chances to win a designated prize by depositing a sum of money during a specified savings period; or

2 (v) an entry into a raffle as a result of paying membership dues or making a purchase of an item
3 offered during a fundraising event held by a nonprofit organization.

4 (18) "Gross proceeds" means gross revenue received less prizes paid out.

5 (19) "Heads or tails" means a gambling activity in which players attempt to predict the outcome of a
6 coin toss. Those who are incorrect are eliminated and those who are correct continue to another round until one
7 winning player remains and is awarded a prize.

8 (20) "House player" means a person participating in a card game who has a financial relationship
9 with the operator, card room contractor, or dealer or who has received money or chips from the operator, card
10 room contractor, or dealer to participate in a card game.

11 (21) "Illegal gambling device" means a gambling device not specifically authorized by statute or by
12 the rules of the department. The term includes:

13 (a) a ticket or card, by whatever name known, containing concealed numbers or symbols that may
14 match numbers or symbols designated in advance as prize winners, including a pull tab, punchboard, push
15 card, tip board, pickle ticket, break-open, or jar game, except for one used under Title 23, chapter 7, under part
16 5 of this chapter, in a bingo game approved by the department under part 4 of this chapter, or in a promotional
17 game of chance approved by the department; and

18 (b) an apparatus, implement, or device, by whatever name known, specifically designed to be
19 used in conducting an illegal gambling enterprise, including a faro box, faro layout, roulette wheel, roulette
20 table, craps table, or slot machine, except as provided in 23-5-153 and [sections 1 through 5].

21 (22) (a) "Illegal gambling enterprise" means a gambling enterprise that violates or is not specifically
22 authorized by a statute or a rule of the department. The term includes:

23 (i) a card game, by whatever name known, involving any bank or fund from which a participant
24 may win money or other consideration and that receives money or other consideration lost by the participant
25 and includes the card games of blackjack, twenty-one, jacks or better, baccarat, or chemin de fer;

26 (ii) dice games known as craps, hazard, or chuck-a-luck, but not including patron dice games or
27 activities authorized by 23-5-160;

28 (iii) credit gambling; and

1 (iv) internet gambling.

2 (b) The term does not include gambling permitted as part of historical reenactments under
3 [sections 1 through 5].

4 (23) (a) "Internet gambling", by whatever name known, includes but is not limited to the conduct of
5 any legal or illegal gambling enterprise through the use of communications technology that allows a person
6 using money, paper checks, electronic checks, electronic transfers of money, credit cards, debit cards, or any
7 other instrumentality to transmit to a computer information to assist in the placing of a bet or wager and
8 corresponding information related to the display of the game, game outcomes, or other similar information.

9 (b) The term does not include the operation of a simulcast facility or advance deposit wagering
10 with a licensed advance deposit wagering hub operator allowed by Title 23, chapter 4, the state lottery provided
11 for in Title 23, chapter 7, or a raffle authorized under Title 23, chapter 5, part 4, that is sponsored by a nonprofit
12 organization and that is registered with the department. If all aspects of the gaming are conducted on Indian
13 lands in conformity with federal statutes and with administrative regulations of the national Indian gaming
14 commission, the term does not include class II gaming or class III gaming as defined by 25 U.S.C. 2703.

15 (24) "Keno" means a game of chance in which prizes are awarded using a card with 8 horizontal
16 rows and 10 columns on which a player may pick up to 10 numbers. A keno caller, using authorized equipment,
17 shall select at random at least 20 numbers out of numbers between 1 and 80, inclusive.

18 (25) "Keno caller" means a person 18 years of age or older who, using authorized equipment,
19 announces the order of the numbers drawn in live keno.

20 (26) "License" means a license for an operator, dealer, card room contractor, manufacturer of
21 devices not legal in Montana, sports tab game seller, manufacturer of electronic live bingo or keno equipment,
22 other manufacturer, distributor, or route operator that is issued to a person by the department.

23 (27) "Licensee" means a person who has received a license from the department.

24 (28) "Live card game" or "card game" means a card game that is played in public between persons
25 on the premises of a licensed gambling operator or in a senior citizen center.

26 (29) (a) "Lottery" means a scheme, by whatever name known, for the disposal or distribution of
27 property among persons who have paid or promised to pay valuable consideration for the chance of obtaining
28 the property or a portion of it or for a share or interest in the property upon an agreement, understanding, or

1 expectation that it is to be distributed or disposed of by lot or chance.

2 (b) The term does not mean lotteries authorized under Title 23, chapter 7.

3 (30) "Manufacturer" means a person who:

4 (a) assembles from raw materials or subparts a completed piece of equipment or pieces of
5 equipment of any kind to be used as a gambling device and who sells the equipment directly to a licensed
6 distributor, route operator, or operator;

7 (b) possesses gambling devices or components of gambling devices for the purpose of testing
8 them; or

9 (c) purchases gambling devices or components from licensed manufacturers, distributors, route
10 operators, or operators as trade-ins or to refurbish, rebuild, or repair to sell to licensed manufacturers,
11 distributors, route operators, or operators.

12 (31) "Nonprofit organization" means an organization established as a nonprofit to support charitable,
13 religious, scholastic, educational, veterans', fraternal, beneficial, civic, senior citizens', or service organizations'
14 charitable activities, scholarships or educational grants, living history, an individual living history volunteer, or
15 community service projects. The term also includes living history volunteers who do not charge fees or earn a
16 salary from antique gambling who own the antique gambling equipment being presented under [sections 1
17 through 5].

18 (32) "Operator" means a person who purchases, receives, or acquires, by lease or otherwise, and
19 operates or controls for use in public a gambling device or gambling enterprise authorized under parts 1
20 through 8 of this chapter.

21 (33) "Ownership" or "ownership interest" means the ability to:

22 (a) share in the profits, losses, or liabilities of a gambling operation;

23 (b) enjoy the privileges reserved to licensees; or

24 (c) control a gambling operation.

25 (34) (a) "Patron dice games" means dice games involving wagers played by two or more patrons
26 over 18 years of age on the premises of a licensed gambling operator that the licensee does not promote and in
27 which the licensee does not participate or acquire a financial interest either as the bank of the game or as the
28 source of credit for players.

1 (b) The term does not include:

2 (i) an illegal gambling enterprise as defined in this section; or

3 (ii) activities authorized by 23-5-160.

4 (35) "Permit" means approval from the department to make available for public play a gambling
5 device or gambling enterprise approved by the department pursuant to parts 1 through 8 of this chapter.

6 (36) "Person" or "persons" means both natural and artificial persons and all partnerships,
7 corporations, associations, clubs, fraternal orders, and societies, including religious and charitable
8 organizations.

9 (37) "Premises" means the physical building or property within or upon which a licensed gambling
10 activity occurs, as stated on an operator's license application and approved by the department.

11 (38) "Promotional game of chance" means a scheme, by whatever name known, for the disposal or
12 distribution of property among persons who have not paid or are not expected to pay any valuable
13 consideration or who have not purchased or are not expected to purchase any goods or services for a chance
14 to obtain the property, a portion of it, or a share in it. The property is disposed of or distributed by simulating a
15 gambling enterprise authorized by parts 1 through 8 of this chapter or by operating a device or enterprise
16 approved by the department that was manufactured or intended for use for purposes other than gambling.

17 (39) "Public gambling" means gambling conducted in:

18 (a) a place, building, or conveyance to which the public has access or may be permitted to have
19 access;

20 (b) a place of public resort, including but not limited to a facility owned, managed, or operated by a
21 partnership, corporation, association, club, fraternal order, or society, including a religious or charitable
22 organization, or a nonprofit living history organization, an individual living history volunteer, or a history
23 reenacting organization under [sections 1 through 5]; or

24 (c) a place, building, or conveyance to which the public does not have access if players are
25 publicly solicited or the gambling activity is conducted in a predominantly commercial manner.

26 (40) "Raffle" means a form of lottery in which each participant pays valuable consideration for a
27 ticket to become eligible to win a prize. Winners must be determined by a random selection process approved
28 by department rule.

1 (41) "Route operator" means a person who:

2 (a) purchases from a licensed manufacturer, route operator, or distributor equipment of any kind
3 for use in a gambling activity;

4 (b) leases the equipment to a licensed operator for use by the public; and

5 (c) may sell to a licensed operator equipment that had previously been authorized to be operated
6 on a premises and may sell gambling equipment to a distributor or manufacturer.

7 (42) "Senior citizen center" means a facility operated by a nonprofit or governmental organization
8 that provides services to senior citizens in the form of daytime or evening educational or recreational activities
9 and does not provide living accommodations to senior citizens. Services qualifying under this definition must be
10 recognized in the state plan on aging adopted by the department of public health and human services.

11 (43) (a) "Slot machine" means a mechanical, electrical, electronic, or other gambling device,
12 contrivance, or machine, whether an original antique or a reproduction of an original antique, that, upon-on
13 insertion of a coin, currency, token, credit card, or similar object or ~~upon-on~~ payment of any valuable
14 consideration, is available to play or operate, the play or operation of which, whether by reason of the skill of
15 the operator or application of the element of chance, or both, may deliver or entitle the person playing or
16 operating the gambling device to receive cash, premiums, merchandise, tokens, or anything of value, whether
17 the payoff is made automatically from the machine or in any other manner.

18 (b) This definition does not apply to video gambling machines authorized under part 6 of this
19 chapter.

20 (44) "Video gambling machine" is a gambling device specifically authorized by part 6 of this chapter
21 and the rules of the department."

22

23 **Section 7.** Section 23-5-153, MCA, is amended to read:

24 **"23-5-153. Possession and sale of antique gambling devices.** (1) Subject to the requirements of
25 subsection (4), a person may possess, sell, purchase, or transfer an antique gambling device. The person
26 possessing the antique gambling device bears the burden of demonstrating that the device qualifies as an
27 antique gambling device. Proof of qualification may be demonstrated by a date on an original, authentic
28 manufacturer's serial number plate affixed to the gambling device or by other reliable documentation.

1 (2) An antique gambling device may be operated only in:

2 (a) in a licensed gambling operation when authorized by law and permitted under part 6 of this
3 chapter; or

4 (b) in a private residential dwelling; or

5 (c) by a registered nonprofit living history organization or by an individual living history volunteer
6 for the purposes of fundraising for little value or at presentations for no value under [sections 1 through 5].

7 (3) (a) An antique gambling device or a reproduction antique gambling device may be possessed
8 or located for ~~purposes of display~~ purposes only and ~~not~~ for operation:

9 (i) in a public or private museum, living history fundraising events, or presentations subject to the
10 little or no value limitation as provided in [sections 1 through 5]; or

11 (ii) in any other public place if the device is inaccessible to the public or is inoperable for purposes
12 of conducting a gambling activity; or

13 (iii) during a fundraising event or presentation for limited or no value held by a registered nonprofit
14 living history organization, an individual living history volunteer, or a history reenacting organization under
15 [sections 1 through 5].

16 (b) A licensed manufacturer-distributor or a person licensed under subsection (4) may possess
17 antique gambling devices for purposes of commercially selling or otherwise supplying the devices.

18 (4) A person or a registered nonprofit living history organization, an individual living history
19 volunteer, or a history reenacting organization other than a licensed manufacturer-distributor may not sell more
20 than three antique gambling devices in a 12-month period without first obtaining from the department a license
21 for selling the antique gambling devices. The fee for the license is \$50, and the license is valid for 3 years from
22 the date that the license is issued. The fee must be retained by the department for administrative purposes."
23

24 **Section 8.** Section 23-5-161, MCA, is amended to read:

25 **"23-5-161. Criminal liabilities -- misdemeanor.** (1) A person who purposely or knowingly violates a
26 provision of parts 1 through 8 of this chapter, the punishment of which is for a misdemeanor, shall upon
27 conviction of a first offense be fined not more than \$500. Upon a second conviction within 5 years of a first
28 conviction, a person shall be fined not more than \$1,000 or imprisoned in the county jail for not more than 6

1 months, or both. Upon a third conviction within 5 years of a second conviction, a person shall be fined not more
 2 than \$10,000 or imprisoned in the county jail for not more than 1 year, or both. Upon a fourth conviction within 5
 3 years of a third conviction, a person shall be fined not more than \$10,000 or imprisoned in the county jail for not
 4 more than 1 year, or both, and the department shall revoke all licenses and permits the person holds under
 5 parts 1 through 8 of this chapter and the person is forever barred from receipt of any license or permit under
 6 this chapter. When 5 years have passed following a conviction, the record of that conviction may be made
 7 available only to criminal justice agencies or upon court order.

8 (2) This statute does not apply to entities and individual living history volunteers covered under 23-
 9 5-406 and [sections 1 through 5] and persons playing historical games for minimal or no value."

10

11 **Section 9.** Section 23-5-162, MCA, is amended to read:

12 **"23-5-162. Criminal liabilities -- felony.** (1) A person who purposely or knowingly violates a provision
 13 of parts 1 through 8 of this chapter, the punishment for which is a felony, may upon conviction be fined not
 14 more than \$50,000 or imprisoned for not more than 10 years, or both, for each violation.

15 (2) In addition to any penalty imposed under subsection (1), the department shall revoke all
 16 licenses or permits issued to the person under parts 1 through 8 of this chapter and may not issue the person
 17 another license or permit under parts 1 through 8 of this chapter.

18 (3) This statute does not apply to entities and individual living history volunteers covered under 23-
 19 5-406 and [sections 1 through 5] and persons playing games for minimal or no value."

20

21 **Section 10.** Section 23-5-311, MCA, is amended to read:

22 **"23-5-311. Authorized card games.** (1) (a) The card games authorized by this part ~~are include~~ and
 23 are limited to the card games known as bridge, cribbage, hearts, panguingue, pinochle, pitch, poker, rummy,
 24 solo, and whist.

25 (b) For historical living history wild west casino nights under [sections 1 through 5], the card games
 26 authorized by this part include those listed in subsection (1)(a), faro, three card monte, vingt et un (blackjack or
 27 21), stud and draw, original or reproduction roulette, poker, brag, chuck a luck, hazard (craps), klondike,
 28 baccarat, poker dice, crown and anchor, put and take, original or reproduction wheel of fortune, and original or

1 reproduction mechanical slot machines.

2 (2) A person may conduct or participate in a live card game or make a live card game table
3 available for public play of a live card game only if it is specifically authorized by this part and described by
4 department rules.

5 (3) This part does not apply to games simulated on electronic video gambling machines authorized
6 under part 6 of this chapter."

7

8 **Section 11.** Section 23-5-313, MCA, is amended to read:

9 **"23-5-313. Rules of play to be posted -- rake-off approved.** (1) A licensed operator shall
10 prominently display the following information within the sight of the players at a live card game table:

- 11 (a) rules governing the conduct of each game;
- 12 (b) notice of the maximum percentage rake-off; and
- 13 (c) rules governing the prohibition of credit gambling.

14 (2) (a) The department may adopt rules specifying the size, display, and content of rules as
15 provided in this part and the manner of taking the rake-off, except as provided in subsection (2)(b). The rules
16 must include notice of the maximum percentage rake-off, if any, and must require that the person taking the
17 rake-off do so in an obvious manner.

18 (b) Not-for-profit fundraising wild west casino nights under [sections 1 through 5] may not have a
19 rake-off."

20

21 **Section 12.** Section 23-5-406, MCA, is amended to read:

22 **"23-5-406. Exempt charitable organizations and facilities.** (1) (a) An organization granted an
23 exemption under 26 U.S.C. 501(c)(3), ~~(c)(4), (c)(8), or (c)(19)~~:

- 24 (i) on or before ~~January 15, 1989~~ January 1, 2023, is exempt from taxation and the permit fee
25 imposed by this part;
- 26 (ii) after ~~January 15, 1989~~ January 1, 2023, is exempt from taxation and one-half the permit fee
27 imposed by this part if the organization carries on gambling activities for no more than 60 days a calendar year.
- 28 (b) An organization provided for in subsection (1)(a) shall:

1 (i) limit its ~~live bingo and keno~~ live gambling and mechanical gambling activities to its main
2 premises or place of operations and to events at other places operated by other charitable organizations or by a
3 government unit or entity;

4 (ii) comply with other statutes and rules relating to the operation of live bingo and keno; and

5 (iii) apply to the department for a permit to conduct charitable live bingo, ~~or keno games,~~ or live
6 charitable mechanical gambling games.

7 (2) A long-term care facility, as defined in 50-5-101, or a retirement home, as defined in subsection
8 (4) of this section, that has obtained an operator's license and a permit from the department to operate live
9 bingo or keno is exempt from taxation and the permit fee imposed by this part if the facility:

10 (a) limits participation in live bingo and keno and approves games of chance to persons using the
11 facility and their guests;

12 (b) limits ~~live bingo or keno~~ all gambling activities to its main premises or place of operation; and

13 (c) complies with other statutes and rules relating to the operation of live ~~bingo and keno~~ gambling.

14 (3) The department may revoke or suspend the permit of an organization or a facility provided for
15 in subsection (1) or (2) if, after investigation, the department determines that the organization or facility is
16 operating or has contracted with a nonqualified organization that is operating live bingo or keno in a
17 predominantly commercial manner.

18 (4) For purposes of this section, "retirement home" means a building in which sleeping rooms
19 without cooking facilities in each room are rented to three or more persons who are 60 years of age or older
20 and who do not need skilled nursing care, intermediate nursing care, or personal care, as defined in 50-5-101."

21

22 **Section 13.** Section 23-5-407, MCA, is amended to read:

23 **"23-5-407. Live bingo or keno permit -- fees -- disposition of fees.** (1) A person who has been
24 granted an operator's license may be granted an annual permit by the department to conduct live bingo or keno
25 games on specified premises. The permit expires June 30 of each year.

26 (2) (a) The permit fee for each premises in which a live bingo or keno game is conducted is \$250,
27 except as provided in subsection (2)(b).

28 (b) A registered nonprofit living history organization, an individual living history volunteer, or a

1 history reenacting organization under [sections 1 through 5] shall pay a one-time fee of \$25.

2 (3) The department shall retain the permit fee for administrative purposes."

3

4 **Section 14.** Section 23-5-408, MCA, is amended to read:

5 **"23-5-408. Hours of play -- restrictions.** A live ~~bingo or keno~~ gambling game must be closed for play
6 between the hours of 2 a.m. and 8 a.m. of each day. However, in the jurisdiction of a local government where a
7 game is played, the local government may adopt an ordinance allowing play between 2 a.m. and 8 a.m."

8

9 **Section 15.** Section 23-5-409, MCA, is amended to read:

10 **"23-5-409. Bingo and keno tax -- records -- distribution -- statement and payment.** (1) ~~A-Except~~
11 for a registered nonprofit living history organization, an individual living history volunteer, or a history reenacting
12 organization under [sections 1 through 5], a licensee who has received a permit to operate bingo or keno
13 games shall pay to the department a tax of 1% of the gross proceeds from the operation of each live bingo and
14 keno game operated on the licensee's premises.

15 (2) A licensee shall keep a record of gross proceeds in the form the department requires. At all
16 times during the business hours of the licensee, the records must be available for inspection by the department.

17 (3) A licensee shall annually complete and deliver to the department a statement showing the total
18 gross proceeds for each live keno or bingo game operated by the licensee and the total amount due as live
19 bingo or keno tax for the preceding year. This statement must contain any other relevant information required
20 by the department.

21 (4) The department shall forward the tax collected under subsection (3) to the treasurer of the
22 county or the clerk, finance officer, or treasurer of the city or town in which the licensed game is located for
23 deposit to the county or municipal treasury. A county is not entitled to proceeds from taxes on live bingo or keno
24 games located in incorporated cities and towns within the county. The tax collected under subsection (3) is
25 statutorily appropriated to the department, as provided in 17-7-502, for deposit to the county or municipal
26 treasury."

27

28 **Section 16.** Section 23-5-410, MCA, is amended to read:

1 **"23-5-410. Exemption from certain sections.** (1) A senior citizen center is exempt from 23-5-117,
2 23-5-177, 23-5-407, and 23-5-409 with respect to live bingo games if the center:

3 (a) limits participation in live bingo games to its members and members' guests;

4 (b) limits live bingo games to its main premises or place of operation; and

5 (c) does not operate live bingo games in a predominantly commercial manner.

6 (2) A registered nonprofit living history organization, an individual living history volunteer, and a
7 history reenacting organization under [sections 1 through 5] are exempt from 23-5-407 and 23-5-409 with
8 respect to live gambling if they:

9 (a) limit participation in live gambling to fundraising guests and to event visitors playing with
10 imitation money for no value at presentation;

11 (b) limit live gambling games to an approved place at a living history event; and

12 (c) do not operate live gambling games in a predominantly commercial, for-profit manner."

13

14 **Section 17.** Section 23-5-414, MCA, is amended to read:

15 **"23-5-414. Restrictions on bingo and keno.** In the playing of live ~~bingo or keno~~ gambling, a person
16 who is not physically present on the premises where the game is actually conducted may not be allowed to
17 participate as a player in the game."

18

19 **Section 18.** Section 23-5-424, MCA, is amended to read:

20 **"23-5-424. Manufacturer's license for electronic bingo or keno equipment -- license and**
21 **processing fees.** (1) A person may not assemble, produce, manufacture, or supply electronic equipment for
22 use in conducting live bingo or keno games in this state without obtaining an annual manufacturer's license
23 from the department.

24 (2) The department shall charge an annual license fee of \$1,000 for issuing or renewing a
25 manufacturer's license.

26 (3) A manufacturer's license expires June 30 of each year, and the license fee may not be
27 prorated.

28 (4) In addition to the license fee provided for in subsection (2), the department may charge a one-

1 time manufacturer's application fee to cover the actual cost of processing the original license. The department
2 shall refund an overpayment or charge and collect an amount sufficient to reimburse the department for
3 underpayment of actual costs.

4 (5) Whether original or reproduction, this section and fees do not apply to antique gambling
5 devices.

6 (6) The department shall retain for administrative purposes the license and processing fees
7 collected under this section."

8

9 **Section 19.** Section 23-5-425, MCA, is amended to read:

10 **"23-5-425. Examination and approval of electronic bingo and keno equipment -- fee.** (1) A

11 licensed manufacturer shall submit to the department for examination a prototype of any electronic equipment
12 intended for use in conducting live bingo or keno games before the equipment is used in the state.

13 (2) Before the equipment is examined, the manufacturer shall pay the anticipated examination
14 costs as determined by the department. The department shall refund an overpayment or charge and collect an
15 amount sufficient to reimburse the department for underpayment of actual costs.

16 (3) Upon completion of the examination, the department may approve, disapprove, or place a
17 condition upon use of the equipment before it is made available for use in conducting live bingo or keno games.

18 (4) Whether original or reproduction, this section does not apply to antique gambling devices."

19

20 **Section 20.** Section 23-5-426, MCA, is amended to read:

21 **"23-5-426. Electronic live bingo and keno equipment specifications -- rules.** The department
22 shall adopt rules describing electronic live ~~bingo and keno gambling~~ equipment that may be approved under 23-
23 5-425. At a minimum, the rules must provide that the equipment use a random selection process to determine
24 the outcome of each game."

25

26 NEW SECTION. **Section 21. Codification instruction.** [Sections 1 through 5] are intended to be
27 codified as a new part in Title 23, chapter 5, and the provisions of Title 23, chapter 5, apply to [sections 1
28 through 5].

1

2 NEW SECTION. **Section 22. Effective date.** [This act] is effective on passage and approval.

3

- END -