

HOUSE BILL NO. 385

INTRODUCED BY W. GALT, D. BARTEL, M. BLASDEL, G. HERTZ, L. JONES, S. MORIGEAU, D. SKEES,
B. TSCHIDA, M. WEATHERWAX, J. WINDY BOY

A BILL FOR AN ACT ENTITLED: "AN ACT LEGALIZING BLACKJACK OR TWENTY-ONE UNDER THE CARD
GAMES ACT; ALLOWING ~~A NONPROFIT ORGANIZATION~~ CERTAIN NONPROFIT ORGANIZATIONS
LICENSED AS A CARD ROOM ~~CONTRACTOR~~ CONTRACTORS TO PROVIDE BLACKJACK; CREATING A
STATE SPECIAL REVENUE ACCOUNT; TAXING PROCEEDS FROM BLACKJACK TABLES; LIMITING THE
NUMBER OF TABLES PER ESTABLISHMENT; SETTING A MAXIMUM BET LIMIT; PROVIDING
DISTRIBUTION OF A PORTION OF THE REVENUE THROUGH FISCAL YEAR 2024 FOR EMERGENCY
SERVICES; EXPANDING RULEMAKING AUTHORITY; ~~AND~~ AMENDING SECTIONS 23-5-112, 23-5-308,
23-5-309, 23-5-311, 23-5-312, AND 23-5-317, MCA; AND PROVIDING A DELAYED EFFECTIVE DATE AND A
TERMINATION DATE."

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

NEW SECTION. Section 1. Blackjack live card game table -- permit -- fees -- disposition of fees.

(1) ~~(a) A nonprofit organization~~ AN ORGANIZATION WITH TAX-EXEMPT STATUS UNDER SECTION 501(C)(3) OF THE
INTERNAL REVENUE CODE that is licensed as a card room contractor as provided in 23-5-324 and uses card game
dealers that are licensed as provided in 23-5-308 may be granted an annual permit for the placement of live
blackjack ~~or twenty-one~~ game tables. An organization licensed under this section must be an independent
contractor that contracts to place live blackjack ~~or twenty-one~~ tables at a licensed premises.

~~———— (b) A permit is not required for live blackjack or twenty-one games played for prizes of minimal value,
as defined by department rule.~~

(2) (a) The annual permit fee for each live blackjack ~~or twenty-one~~ game table operated in a licensed
operator's premises is \$500 for each table and may not be prorated.

(b) The department shall retain for administrative purposes the permit fee charged for the issuance of
the permit.

(3) No more than three tables may be located within the same establishment.

1 NEW SECTION. Section 2. Blackjack proceeds state special revenue account. (1) There is an
2 account in the state special revenue fund established by 17-2-102 to be known as the blackjack proceeds fund.

3 (2) There must be deposited in the account tax proceeds received pursuant to [section 3].

4 (3) THE ACCOUNT IS AN INTEREST-BEARING ACCOUNT WITH ALL INTEREST OR OTHER RETURN EARNED ON THE
5 MONEY IN THE ACCOUNT CREDITED TO AND DEPOSITED IN THE ACCOUNT.

6 (4) ALL EXPENSES OF THE DEPARTMENT INCURRED IN THE ADMINISTRATION AND ENFORCEMENT OF [SECTIONS
7 1 THROUGH 3] MUST BE PAID FROM THE ACCOUNT.

8 (5) THE DEPARTMENT SHALL DEDUCT FROM THE GROSS DEPOSITS INTO THE ACCOUNT AN AMOUNT SUFFICIENT
9 TO REIMBURSE THE DEPARTMENT'S ACTUAL COSTS AND EXPENSES INCURRED IN ADMINISTERING [SECTIONS 1 THROUGH
10 3]. THE AMOUNT REMAINING AFTER THE DEDUCTION FOR ADMINISTRATIVE EXPENSES IS THE NET BLACKJACK TAX REVENUE.

11 (6) IN ADDITION TO THE AMOUNT DEDUCTED IN SUBSECTION (5), THE DEPARTMENT MAY RETAIN UP TO 15% OF
12 THE GROSS DEPOSITS TO FUND OPERATIONS AND ADMINISTRATIVE EXPENSES.

13 (7) FOR THE FISCAL YEAR ENDING JUNE 30, 2020, THROUGH THE FISCAL YEAR ENDING JUNE 30, 2024, THE THE
14 FUNDS IN THE ACCOUNT MUST BE USED AS FOLLOWS:

15 (A) THE FIRST \$250,000 A YEAR FOR ASSISTING LOCAL FIRE AGENCIES WITH PURCHASING WORKERS'
16 COMPENSATION COVERAGE FOR VOLUNTEER FIREFIGHTERS AS PROVIDED IN [SECTION 4]; AND

17 (B) THE REMAINDER FOR GRANTS FOR EMERGENCY MEDICAL AND TRAUMA SERVICES AS PROVIDED IN [SECTION
18 5].

19
20 NEW SECTION. Section 3. Live blackjack ~~or twenty-one gross proceeds tax -- records --~~
21 **quarterly statement and payment.** (1) A licensed operator shall pay to the department a tax of ~~2%~~ 5% of the
22 gross proceeds from each live blackjack ~~or twenty-one~~ table operated under this part. A licensed operator may
23 deduct from the gross proceeds amounts equal to amounts stolen from tables if the amounts stolen are not repaid
24 by insurance or under a court order, if a law enforcement agency investigated the theft, and if the theft is the result
25 of unauthorized entry and physical removal of the money and the amounts stolen are documented.

26 (2) A licensed operator shall keep a record of the gross proceeds from each table issued a permit under
27 this part in the form the department requires. The records must be subject to inspection by the department at all
28 times during the business hours of the licensee.

29 (3) For each table issued a permit under this part, a licensed operator shall, within 15 days after the end
30 of each quarter and in the manner prescribed by the department, complete and deliver to the department a

1 statement showing the total gross proceeds, together with the total amount due the state as live blackjack gross
 2 proceeds tax for the preceding quarter. The statement must contain other relevant information that the
 3 department requires.

4 (4) The department shall:

5 ~~—— (a), in accordance with the provisions of 17-2-124, forward the 50% of the tax collected under this section
 6 to the state treasurer for deposit into the account established in [section 2]; and~~

7 ~~—— (b) deposit 50% of the tax collected under this section in a state special revenue account to the credit
 8 of the department of justice. The department may expend the money deposited in the account only for purposes
 9 of enforcement of gambling laws.~~

10

11 **NEW SECTION. SECTION 4. WORKERS' COMPENSATION COVERAGE FOR LOCAL FIRE ENTITIES -- RULEMAKING.**

12 (1) THE DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION SHALL CREATE A PROGRAM FOR ASSISTING A
 13 GOVERNING BODY OF A LOCAL FIRE AGENCY ORGANIZED UNDER TITLE 7, CHAPTER 33, WITH PURCHASING WORKERS'
 14 COMPENSATION COVERAGE FOR VOLUNTEER FIREFIGHTERS.

15 (2) THE DEPARTMENT SHALL ADOPT RULES GOVERNING THE DISTRIBUTION OF THE FUNDING PROVIDED FOR IN
 16 [SECTION 2(7)(A)]. THE RULES MUST PROVIDE A PROCESS FOR LOCAL FIRE AGENCIES TO REQUEST ASSISTANCE AND MUST
 17 ESTABLISH ELIGIBILITY CRITERIA. FUNDING MAY BE PROVIDED TO A LOCAL FIRE AGENCY FOR UP 2 YEARS, AFTER WHICH
 18 THE DEPARTMENT SHALL REVIEW WHETHER TO CONTINUE THE FUNDING.

19 (3) FOR THE PURPOSES OF THIS SECTION, A GOVERNING BODY OF A LOCAL FIRE AGENCY ORGANIZED UNDER
 20 TITLE 7, CHAPTER 33, DOES NOT INCLUDE A GOVERNING BODY OF A CITY OF THE FIRST CLASS OR SECOND CLASS,
 21 INCLUDING A CITY TO WHICH 7-33-4109 APPLIES, THAT PROVIDES WORKERS' COMPENSATION COVERAGE TO EMPLOYEES
 22 AS DEFINED IN 39-71-118.

23

24 **NEW SECTION. SECTION 5. EMERGENCY MEDICAL AND TRAUMA SERVICES GRANT PROGRAM -- RULEMAKING.**

25 (1) THE DEPARTMENT OF PUBLIC HEALTH AND HUMAN SERVICES SHALL CREATE AN EMERGENCY MEDICAL AND TRAUMA
 26 SERVICES GRANT PROGRAM FOR THE DEVELOPMENT, MAINTENANCE, AND IMPROVEMENT OF EMERGENCY MEDICAL AND
 27 TRAUMA SERVICES WITH THE REVENUE PROVIDED FOR IN [SECTION 2(7)(B)].

28 (2) THE GRANTS MUST BE MADE ON THE BASIS OF SUBSTANTIATED NEED, WITH PRIORITY GIVEN TO APPLICANTS
 29 THAT HAVE UNDERDEVELOPED OR AGED EMERGENCY MEDICAL AND TRAUMA SERVICES EQUIPMENT OR SYSTEMS.

30 (3) GRANTS AWARDED UNDER THIS SECTION REQUIRE LOCAL MATCHING FUNDS UNLESS THE DEPARTMENT

1 WAIVES THE MATCHING FUNDS REQUIREMENT UPON DEMONSTRATION THAT LOCAL SOURCES OF MATCHING FUNDS ARE
 2 NOT AVAILABLE.

3 (4) THE DEPARTMENT SHALL ADOPT RULES TO IMPLEMENT THE EMERGENCY MEDICAL AND TRAUMA SERVICES
 4 GRANT PROGRAM. THE RULES MUST:

5 (A) ESTABLISH ELIGIBILITY CRITERIA AND PRIORITIES FOR EMERGENCY MEDICAL AND TRAUMA SERVICES GRANTS;

6 (B) PROVIDE FOR AN APPLICATION PROCESS, INCLUDING AN ANNUAL DEADLINE TO APPLY FOR THE GRANTS;

7 (C) PROVIDE THE DATE BY WHICH GRANTS WILL BE AWARDED EACH YEAR; AND

8 (D) PROVIDE MATCHING FUNDS CRITERIA.

9

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

11 **"23-5-112. Definitions.** Unless the context requires otherwise, the following definitions apply to parts
 12 1 through 8 of this chapter:

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

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

17 (3) "Associated gambling business" means a person who provides a service or product to a licensed
 18 gambling business and who:

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

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

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

22 (4) "Authorized equipment" means, with respect to live keno or bingo, equipment that may be inspected
 23 by the department and that randomly selects the numbers.

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

30 (6) "Bingo caller" means a person 18 years of age or older who, using authorized equipment, announces

1 the order of the numbers drawn in live bingo.

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

4 (8) "Blackjack" means a gambling card game in which players try to acquire cards with a face value as
5 close as possible to 21 without going over. For purposes of parts 1 through 8 of this chapter, the gambling card
6 game referred to as "twenty-one" is the same as blackjack.

7 ~~(8)~~(9) "Card game table" or "table" means a live card game table:

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

10 (b) operated by a senior citizen center.

11 ~~(9)~~(10) "Card game tournament" means a gambling activity for which a permit has been issued involving
12 participants who pay valuable consideration for the opportunity to compete against each other in a series of live
13 card games conducted over a designated period of time.

14 ~~(10)~~(11) "Dealer" means a person with a dealer's license issued under part 3 of this chapter.

15 ~~(11)~~(12) "Department" means the department of justice.

16 ~~(12)~~(13) "Distributor" means a person who:

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

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

20 ~~(13)~~(14) (a) "Gambling" or "gambling activity" means risking any money, credit, deposit, check, property,
21 or other thing of value for a gain that is contingent in whole or in part upon lot, chance, or the operation of a
22 gambling device or gambling enterprise.

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

24 (i) promotional games of chance;

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

26 (iii) social card games of bridge, cribbage, hearts, pinochle, pitch, rummy, solo, and whist played solely
27 for prizes of minimal value, as defined by department rule.

28 ~~(14)~~(15) "Gambling device" means a mechanical, electromechanical, or electronic device, machine, slot
29 machine, instrument, apparatus, contrivance, scheme, or system used or intended for use in any gambling
30 activity.

1 ~~(15)~~(16) "Gambling enterprise" means an activity, scheme, or agreement or an attempted activity,
2 scheme, or agreement to provide gambling or a gambling device to the public.

3 ~~(16)~~(17) (a) "Gift enterprise" means a gambling activity in which persons have qualified to obtain property
4 to be awarded by purchasing or agreeing to purchase goods or services.

5 (b) The term does not mean:

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

8 (ii) a promotional game of chance;

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

10 (iv) a savings promotion raffle offered by a bank, trust company, mutual savings bank, savings and loan
11 association, or credit union authorized to do business and accept deposits in this state under state or federal law
12 and conducted in compliance with 23-5-413 that entitles individual members or depositors equal chances to win
13 a designated prize by depositing a sum of money during a specified savings period; or

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

16 ~~(17)~~(18) "Gross proceeds" means gross revenue received less prizes paid out.

17 ~~(18)~~(19) "House player" means a person participating in a card game who has a financial relationship
18 with the operator, card room contractor, or dealer or who has received money or chips from the operator, card
19 room contractor, or dealer to participate in a card game.

20 ~~(19)~~(20) "Illegal gambling device" means a gambling device not specifically authorized by statute or by
21 the rules of the department. The term includes:

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

27 (b) an apparatus, implement, or device, by whatever name known, specifically designed to be used in
28 conducting an illegal gambling enterprise, including a faro box, faro layout, roulette wheel, roulette table, craps
29 table, or slot machine, except as provided in 23-5-153.

30 ~~(20)~~(21) "Illegal gambling enterprise" means a gambling enterprise that violates or is not specifically

1 authorized by a statute or a rule of the department. The term includes:

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

5 (b) a dice game, by whatever name known, in which a participant wagers on the outcome of the roll of
6 one or more dice, including craps, hazard, or chuck-a-luck, but not including activities authorized by 23-5-160;

7 (c) sports betting, by whatever name known, in which a person places a wager on the outcome of an
8 athletic event, including bookmaking, parlay bets, or sultan sports cards, but not including those activities
9 authorized in Title 23, chapter 4, and parts 2, 5, and 8 of this chapter;

10 (d) credit gambling; and

11 (e) internet gambling.

12 ~~(21)~~(22) (a) "Internet gambling", by whatever name known, includes but is not limited to the conduct of
13 any legal or illegal gambling enterprise through the use of communications technology that allows a person using
14 money, paper checks, electronic checks, electronic transfers of money, credit cards, debit cards, or any other
15 instrumentality to transmit to a computer information to assist in the placing of a bet or wager and corresponding
16 information related to the display of the game, game outcomes, or other similar information.

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

23 ~~(22)~~(23) "Keno" means a game of chance in which prizes are awarded using a card with 8 horizontal rows
24 and 10 columns on which a player may pick up to 10 numbers. A keno caller, using authorized equipment, shall
25 select at random at least 20 numbers out of numbers between 1 and 80, inclusive.

26 ~~(23)~~(24) "Keno caller" means a person 18 years of age or older who, using authorized equipment,
27 announces the order of the numbers drawn in live keno.

28 ~~(24)~~(25) "License" means a license for an operator, dealer, card room contractor, manufacturer of devices
29 not legal in Montana, sports tab game seller, manufacturer of electronic live bingo or keno equipment, other
30 manufacturer, distributor, or route operator that is issued to a person by the department.

1 ~~(25)~~(26) "Licensee" means a person who has received a license from the department.

2 ~~(26)~~(27) "Live card game" or "card game" means a card game that is played in public between persons
3 on the premises of a licensed gambling operator or in a senior citizen center.

4 ~~(27)~~(28) (a) "Lottery" means a scheme, by whatever name known, for the disposal or distribution of
5 property among persons who have paid or promised to pay valuable consideration for the chance of obtaining
6 the property or a portion of it or for a share or interest in the property upon an agreement, understanding, or
7 expectation that it is to be distributed or disposed of by lot or chance.

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

9 ~~(28)~~(29) "Manufacturer" means a person who:

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

13 (b) possesses gambling devices or components of gambling devices for the purpose of testing them;
14 or

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

18 ~~(29)~~(30) "Nonprofit organization" means an organization established as a nonprofit to support charitable,
19 religious, scholastic, educational, veterans', fraternal, beneficial, civic, senior citizens', or service organizations'
20 charitable activities, scholarships or educational grants, or community service projects.

21 ~~(30)~~(31) "Operator" means a person who purchases, receives, or acquires, by lease or otherwise, and
22 operates or controls for use in public a gambling device or gambling enterprise authorized under parts 1 through
23 8 of this chapter.

24 ~~(31)~~(32) "Permit" means approval from the department to make available for public play a gambling
25 device or gambling enterprise approved by the department pursuant to parts 1 through 8 of this chapter.

26 ~~(32)~~(33) "Person" or "persons" means both natural and artificial persons and all partnerships,
27 corporations, associations, clubs, fraternal orders, and societies, including religious and charitable organizations.

28 ~~(33)~~(34) "Premises" means the physical building or property within or upon which a licensed gambling
29 activity occurs, as stated on an operator's license application and approved by the department.

30 ~~(34)~~(35) "Promotional game of chance" means a scheme, by whatever name known, for the disposal or

1 distribution of property among persons who have not paid or are not expected to pay any valuable consideration
2 or who have not purchased or are not expected to purchase any goods or services for a chance to obtain the
3 property, a portion of it, or a share in it. The property is disposed of or distributed by simulating a gambling
4 enterprise authorized by parts 1 through 8 of this chapter or by operating a device or enterprise approved by the
5 department that was manufactured or intended for use for purposes other than gambling.

6 ~~(35)~~(36) "Public gambling" means gambling conducted in:

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

8 (b) a place of public resort, including but not limited to a facility owned, managed, or operated by a
9 partnership, corporation, association, club, fraternal order, or society, including a religious or charitable
10 organization; or

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

13 ~~(36)~~(37) "Raffle" means a form of lottery in which each participant pays valuable consideration for a ticket
14 to become eligible to win a prize. Winners must be determined by a random selection process approved by
15 department rule.

16 ~~(37)~~(38) "Route operator" means a person who:

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

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

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

22 ~~(38)~~(39) "Senior citizen center" means a facility operated by a nonprofit or governmental organization that
23 provides services to senior citizens in the form of daytime or evening educational or recreational activities and
24 does not provide living accommodations to senior citizens. Services qualifying under this definition must be
25 recognized in the state plan on aging adopted by the department of public health and human services.

26 ~~(39)~~(40) (a) "Slot machine" means a mechanical, electrical, electronic, or other gambling device,
27 contrivance, or machine that, upon insertion of a coin, currency, token, credit card, or similar object or upon
28 payment of any valuable consideration, is available to play or operate, the play or operation of which, whether
29 by reason of the skill of the operator or application of the element of chance, or both, may deliver or entitle the
30 person playing or operating the gambling device to receive cash, premiums, merchandise, tokens, or anything

1 of value, whether the payoff is made automatically from the machine or in any other manner.

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

3 ~~(40)(41)~~ "Video gambling machine" is a gambling device specifically authorized by part 6 of this chapter
4 and the rules of the department."
5

6 **Section 7.** Section 23-5-308, MCA, is amended to read:

7 **"23-5-308. Card game dealers -- license.** (1) Except as provided in 23-5-318, a person may not deal
8 cards in a live card game of panguingue, or poker, or twenty-one BLACKJACK without being licensed annually by
9 the department.

10 (2) The license fee for panguingue or poker; for the first year in which the license is effective is \$75, and
11 the annual renewal fee is \$25. The fee may not be prorated.

12 (3) The license fee for blackjack or twenty-one; for the first year in which the license is effective is \$200,
13 and the annual renewal fee is \$100. The fee may not be prorated.

14 ~~(3)(4)~~ The department shall retain for administrative purposes the license fee charged for the issuance
15 of a dealer's license.

16 ~~(4)(5)~~ A licensed dealer shall keep on the dealer's person and display upon request the dealer's license
17 when working as a dealer.

18 ~~(5)(6)~~ (a) The department shall adopt rules to implement temporary licensing procedures until a
19 permanent license is issued to a dealer.

20 (b) The rules must provide that a temporary license:

21 (i) may be issued at a local department office or at another public location designated by the department;
22 and

23 (ii) may only be issued upon the payment of the license application fee and submission of an application,
24 required fingerprints, and proof that the applicant for a temporary license has a verifiable offer of employment from
25 a licensed operator or card room contractor."
26

27 **Section 8.** Section 23-5-309, MCA, is amended to read:

28 **"23-5-309. Requirements for conducting card games.** (1) Except as provided in 23-5-310, 23-5-317,
29 and 23-5-318, a live card game must be played on a live card game table for which a permit has been issued and
30 on the premises of a licensed operator.

1 (2) Except as provided in 23-5-318, a live card game of blackjack, panguingue, ~~or~~ OR poker, ~~or~~
 2 ~~twenty-one~~ must be played in the presence and under the control of a licensed dealer."

3

4 **Section 9.** Section 23-5-311, MCA, is amended to read:

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

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

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

12

13 **Section 10.** Section 23-5-312, MCA, is amended to read:

14 **"23-5-312. Prizes not to exceed \$800 -- maximum bet.** (1) A Except as provided in subsection (3), a
 15 prize for an individual live card game may not exceed the value of \$800. Games may not be combined in any
 16 manner so as to increase the value of the ultimate prize awarded. Except during a tournament conducted under
 17 23-5-317, all prizes must be awarded immediately upon completion of each hand.

18 (2) If a licensed operator conducts a promotional game of chance involving a live card game, the prize
 19 limit provided for in subsection (1) applies to prizes awarded as a result of the promotional game of chance.

20 (3) The maximum bet for an individual playing a hand of a blackjack or twenty-one game is \$50."

21

22 **Section 11.** Section 23-5-317, MCA, is amended to read:

23 **"23-5-317. Tournaments.** (1) (a) A licensed operator who has a permit for placing at least one live card
 24 game table on the operator's premises may apply to the department for an annual large-stakes live card game
 25 tournament permit. A large-stakes tournament permit allows the operator to conduct up to 16 large-stakes
 26 tournaments a year on the operator's premises.

27 (b) The department shall charge an annual fee of \$120 for a large-stakes tournament permit. The permit
 28 fee may not be prorated and must be retained by the department for administrative purposes.

29 (c) A large-stakes tournament may not be conducted for more than 5 consecutive days.

30 (d) The operator shall notify the department at least 5 days before the start of a large-stakes tournament.

1 If a tournament will be conducted on the premises of more than one licensed operator, each operator shall notify
2 the department at least 5 days before the start of the tournament. Except as provided in subsection (1)(f), each
3 large-stakes tournament is counted toward each operator's annual 16-tournament limit.

4 (e) An operator issued a large-stakes tournament permit may participate with other large-stakes
5 tournament permitholders to conduct a progressive large-stakes tournament in which the ultimate prize is not
6 awarded until the final round of the tournament is completed.

7 (f) An operator issued a large-stakes tournament permit may conduct up to three charitable large-stakes
8 tournaments a year that are not counted toward the operator's annual 16-tournament limit. The operator shall
9 notify the department of the charitable tournament at least 5 days before the start of the tournament.

10 (g) An operator may charge an entry fee for a large-stakes tournament, which may include a fee to cover
11 expenses incurred from conducting the tournament. The total amount paid by a participant to enter a large-stakes
12 tournament, including any additional purchase of chips or other payment during the tournament, may not exceed
13 \$1,875. A participant in a large-stakes tournament who has been eliminated from competition during the
14 tournament may reenter the tournament by paying an additional fee if the tournament rules allow the participant
15 to reenter the tournament.

16 (h) The prize for a large-stakes tournament may include the right to participate in another tournament
17 if the value of a seat in the higher-level tournament equals the value of the expected top prize for the tournament.

18 (2) (a) A licensed operator who has a permit for placing at least one live card game table on the
19 operator's premises may apply to the department for an annual small-stakes live card game tournament permit.
20 A small-stakes tournament permit allows the operator to conduct daily small-stakes tournaments on the operator's
21 premises.

22 (b) The department shall charge an annual fee of \$500 for a small-stakes tournament permit. The permit
23 fee may not be prorated and must be retained by the department for administrative purposes.

24 (c) An operator may charge an entry fee for a small-stakes tournament, which may include a fee to cover
25 expenses incurred from conducting the tournament. The total amount paid by a participant to enter a small-stakes
26 tournament may not exceed \$80. A participant in a small-stakes tournament may not repurchase or add chips
27 or reenter the tournament after elimination.

28 (d) A small-stakes tournament permitholder may place one additional live card table on the
29 permitholder's premises, which may be used only for a small-stakes tournament. The tournament may be
30 conducted on permitted card tables and the additional tournament card table.

1 (3) Tournament participants must be provided with a copy of the tournament rules before the start of a
2 large-stakes or small-stakes tournament. A copy of the rules must be posted in a conspicuous location in each
3 area where the tournament is conducted.

4 (4) Permits for the placement of additional live card game tables as provided in 23-5-306 are not required
5 for:

6 (a) additional tables authorized under a large-stakes tournament permit; or

7 (b) an additional small-stakes tournament table authorized under subsection (2)(d).

8 (5) A person must be present on the premises during a large-stakes or small-stakes tournament to
9 oversee the conduct of the card games and to settle disputes among players. This person may be a dealer
10 licensed under 23-5-308.

11 (6) Only a dealer licensed under 23-5-308 may deal cards at a large-stakes or small-stakes blackjack,
12 poker, or OR panguingue, or twenty-one tournament.

13 (7) The face value of the chips used does not govern the value of the pot awarded at the end of the
14 tournament.

15 (8) At least 50% of the total amount of the entrance fees for any large-stakes or small-stakes tournament
16 that is represented as a charitable tournament must be paid to a charitable, educational, or recreational nonprofit
17 organization.

18 (9) A rake-off may not be taken during a large-stakes or small-stakes tournament card game.

19 (10) The provisions of this part and the department rules governing live card games apply to live card
20 games conducted as part of a tournament unless otherwise provided."

21

22 **NEW SECTION. Section 12. Codification instruction.** (1) [Sections 1 through 3] are intended to be
23 codified as an integral part of Title 23, chapter 5, part 3, and the provisions of Title 23, chapter 5, part 3, apply
24 to [sections 1 through 3].

25 (2) [SECTION 4] IS INTENDED TO BE CODIFIED AS AN INTEGRAL PART OF TITLE 76, CHAPTER 13, AND THE
26 PROVISIONS OF TITLE 76, CHAPTER 13, APPLY TO [SECTION 4].

27 (3) [SECTION 5] IS INTENDED TO BE CODIFIED AS AN INTEGRAL PART OF TITLE 50, CHAPTER 6, AND THE
28 PROVISIONS OF TITLE 50, CHAPTER 6, APPLY TO [SECTION 5].

29

30 **NEW SECTION. SECTION 13. EFFECTIVE DATE.** [THIS ACT] IS EFFECTIVE JANUARY 1, 2020.

1

2 NEW SECTION. SECTION 14. TERMINATION. [THIS ACT] TERMINATES DECEMBER 31, 2029.

3

- END -