

## **MONTANA TAVERN TIMES**

**Sports Pools - December 1, 2011**

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With Playoffs and the Super Bowl coming up, it is a perfect time to review the section of Montana Code Annotated that covers Sports Pools. Generally, a "sports pool" is a legal gambling activity in which a person wagers money for a chance to win money or other items of value based on the outcome of a sports event or series of sports events. This article will focus on Sports Pool Cards which are more commonly referred to as Sports Boards.

Any person or entity can run a sports pool. No gambling operator license, liquor license, permit, or tax is required. There are many rules, however, which govern how sports boards may be conducted.

All sports boards shall, in advance of any sale of any chance, clearly indicate:

- Rules for conducting the sports pool;
- Name of the sports event or series of events covered by the card;
- Name of the competitors in the sports event or series of events, if known;
- Date of the sports event or dates of the series of sports events;
- Cost to the participant for each chance;
- Total amount to be paid to each winner;
- Intervals that a pay-out will be made and the amount of each pay-out;
- Name of the person conducting the sports pool;
- Substitute sports event if the original sports event is cancelled.

Traditional sports board rules are as follows:

- The master square must be divided into spaces arranged in horizontal rows and vertical columns and may not exceed 100 spaces.
- The total cost of a chance/space shall not exceed \$5.00 and must be paid in full and in cash at the time it is selected.
- A "sports event" means an athletic game, race, or contest involving two or more competitors who are natural persons or animals in which the winner is determined by a score or placement. Sports boards may not be based on parts or quarters of an event (it may pay out during portions of the event), but the board must be based on the whole event.
- Each competitor is assigned to either the horizontal or vertical axis before the beginning of the sporting event.

- All spaces must be sold before the start of the sporting event. If there are any left, the person conducting the sports pool must buy any remaining spaces.
- Numbers 0-9 are randomly assigned horizontally and vertically *after* all the spaces are sold and before the beginning of the sporting event.
- The winner is determined by matching the score to the numbers going across and down and the space where the numbers intersect.
- The maximum payout is \$500 per sports board. The sports board must pay out 100%; there is no profit for the person running the board (an exception is made for nonprofits).
- The sports board must be retained by the person conducting the sports pool until all prizes are awarded or for 30 days after the event or last event in a series of events, whichever occurs first.

There are other types of Sports Boards that are authorized by Administrative Rule. Larry Renman, Investigations Western District Supervisor, describes in more detail a couple types of sports boards that investigators tend to see problems with.

With a series sporting event board, the total number of events determines the number of boards (e.g. the number of Monday night football games). The boards for each game are carbon copies of each other except for the competitors. In other words, the space purchased and the numbers drawn remain the same throughout the series of games. A person may purchase up to \$5.00 per space and this amount must be paid before the series of events begins. No additional purchases are allowed. The maximum payout per event is \$500. For example: If there are 15 games scheduled to be played, the total number of boards is 15. The total purchase per participant cannot exceed 15 x \$5.00 or \$75.00 per space. This must be paid in full before the first game. At the completion of each game, the prize is paid to the winner as determined by the final score.

Another issue that comes up regularly is the structure and operation of a selected point sports board, more commonly seen as a "28" or "37" board. A board of this type involves a limited number of competitors randomly assigned to the same number of participants. This is often seen involving all of the NFL teams listed in a row, with the randomly assigned participants. The participants pay a one-time participation fee not to exceed \$5.00. As the weeks progress, the first participant whose competitor team reaches the target number, "28", "37", etc. wins the prize. In a board of this type, the prize cannot exceed \$500.00, but could only reach that amount if you have 100 competing teams, which cannot occur in the NFL. For example, if there are 32 competing teams, the maximum prize cannot exceed 32 x \$5.00, or \$160.00.

There are numerous types of sports boards designed to accommodate the different types of sporting events. Determining which type of board to use for each type of event is critical because attempts to convert one type of board to accommodate an event in which it was never intended can result in violations. An example of this problem often involves boards designed for NASCAR events. The only type of board that can be used

for a NASCAR event is a “multiple competitor” type. This type of board is designed to accommodate events with three or more individual competitors such as golf or car racing. A board of this type consists of the total number of competitors in the event in a line, randomly assigned to the same number of participants. In a NASCAR board, there must be 43 competitors and 43 randomly assigned participants. The total prize for a NASCAR board cannot exceed 43 x \$5.00 or \$215.

For more information, please call our office at (406) 444-1971 or email [gcd@mt.gov](mailto:gcd@mt.gov). (References: Title 23, Chapter 5, Part 5, MCA; Title 23, Chapter 16, Subchapter 17, ARM)