



MINUTES
GAMING ADVISORY COUNCIL

June 21, 2019
Helena, Montana

This is a summary of the Council meeting. The meeting in its entirety is recorded in a digital audio file format and maintained at the Gambling Control Division office at 2550 Prospect Avenue, Helena, Montana. Exhibits (if any) are on file in the office of the Gambling Control Division.

COUNCIL MEMBERS PRESENT

(Chairman) Mark Kennedy
Rep. Wylie Galt
Mike Kenneally

Carole Lankford
Steve Morris
Bill Slaughter

DIVISION STAFF PRESENT

Angela Nunn Dave Jeseritz Mike Fanning Andy Ritter Matt Eckdahl Bob Burke

SUMMARY OF COUNCIL ACTION

- ◆ **The Council voted unanimously to approve the minutes from the October 5, 2018 meeting.**
- ♥ **The Council scheduled the next meeting for September 20, 2019 in Helena. The meeting adjourned at 12:00 p.m.**

CALL TO ORDER AND ROLL CALL

Chairman Kennedy called the meeting to order at 10:00 a.m. All members were present except Senator Mark Blasdel, Merle Frank, and Corey Swanson who were excused.

Attorney General Tim Fox was present for opening remarks.

The minutes from the October 5, 2018 meeting were approved unanimously.

GAMBLING CONTROL DIVISION UPDATE

Operations Bureau Update & Statistics

Administrator Nunn gave a brief introduction of GCD staff that were present for the meeting. Ms. Nunn provided an overview of statistics for third quarter FY19. She explained that video gambling machine tax collections for the third quarter were approximately \$15.4 million, which was a slight decrease from the previous quarter. Ms. Nunn noted that the Division received 107 license applications in third quarter. Ms. Nunn also explained the Division permitted 860 gambling machines, which was an 18% increase from third quarter FY18, but overall machine permits for the year were down 2%. The number of Live Bingo permits issued was 155 in FY19. She indicated 26 Casino Night permits and 67 Calcutta permits were issued through third quarter. Live card tables permitted were down 3%, the number of card dealers were up 1%. Ms. Nunn also mentioned the division issued 130 large-stakes tournament permits, and 24 small-stakes tournament permits.

Ms. Nunn explained that the division was working on reclassifying the Operations Bureau Chief position into a Management Analyst and would be recruiting for that position soon. She also stated that one of the programmer positions is vacant and the division is working on getting it filled.

Ms. Nunn noted that the division is in the middle of license renewals and had seen about half of the renewals submitted online.

Ms. Nunn said that she is working on a few communications projects and shared a sample of current resources that have been created.

Investigations Bureau Update

Mr. Jeseritz explained to the Council that the Investigations Bureau is averaging around 1,500 premises inspections and 1,250 cases per year. Mr. Jeseritz noted that Investigator Tom Oberweiser retired, and they are currently recruiting to fill the vacant position in Billings. Mr. Jeseritz also explained that GIB will be conducting routine alcoholic beverage license inspections at locations on the reservations and is scheduled to visit the Fort Peck reservation first.

Technical Services Section Update

Mr. Eckdahl explained to the Council that his team is currently working on reviewing and updating the requirements documents to include requirements for an electronic 50/50 raffle system. Mr. Eckdahl noted that the Lab has recently tested a mobile inspection application and hope to implement it by July 2019. Mr. Eckdahl provided a few statistics which included approval of 60 VGM development cases and inspection of approximately 2,500 VGMs.

OTHER UPDATES

Alcohol Beverage Control Division (ABCD) Update

Mr. Steve Swanson provided a high-level legislative and division update regarding ABCD activities.

Montana Board of Horse Racing

Mr. Tom Tucker provided updates regarding Board of Horse Racing activities.

Montana Lottery

Mr. Bryan Costigan provided updates regarding Montana Lottery activities.

Montana Council on Problem Gambling Update

Mr. Brad Longcake provided updates regarding the Montana Council on Problem Gambling.

Other

The Montana Indian Gaming Association were invited but unable to attend.

OLD BUSINESS

New Administrative Rules

Ms. Nunn explained to the Council that the division adopted rules in March 2019 that had been presented to the Council in past meetings. This included changes to 50/50 raffles and electronic processing systems, timely records submissions, credit gambling, card dealer license process, and Alcohol Beverage Control Division references.

Division Funding

Ms. Nunn explained that the GAC Funding Subcommittee had not met for a year and noted the Legislature passed the division's budget but had some concerns about the cash position.

NEW BUSINESS

Legislative Session Review

Ms. Nunn explained that it was a busy Legislative Session for gambling-related proposals and provided a handout to the Council that summarized the bills that had passed.

Draft Administrative Rules

Ms. Nunn explained to the Council that the division is working on drafting Administrative Rules and will send them out for review and approval. These rules are resulting from passed legislation, and other changes including temporary authority, devices connected to VGMs, licensing process for current alcohol beverage licensees looking to apply for gambling, and shake-a-day clarifications.

Topics for next Biennium

The topics that were identified for the next Biennium include:

- understanding the role and responsibility of the Gaming Advisory Council,
- division funding,
- blackjack, and
- dice games.

Public Comment

There was no public comment.

Final Business

The Council scheduled the next meeting for September 20, 2019 in Helena. The meeting adjourned at 12:00 p.m.