

Sports Betting—It's Legal in Montana! Now What?

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The Governor signed HB 725, a bill authorizing the Montana Lottery to offer sports betting; and vetoed SB 330 a bill that would have authorized private industry to offer sports betting.

Is this a win for Montana Taverns? We'll have to wait and see. There are many decisions that are yet to be made, that will dictate whether the coming Lottery-based sports betting product will help draw in new customers and invite existing customers to visit more often.

There are many questions that need to get answered over the next few months.

- Will Lottery offer odds similar to Las Vegas odds, or will they be less competitive?
- Will Lottery offer parlay bets that are reasonably competitive with the black market?
- Will tavern operators receive a commission that is similar to what is received on other lottery products?

The Lottery Commission, the Lottery Director and the Governors office will be answering these, and many more, questions over the coming months. The Montana Tavern Association will be there every step of the process, working to make the final sports betting product, the best it can be, for Montana and for Montana taverns.

The MTA supported all three sports betting proposals this legislative session (there was also a pari-mutuel-based bill that died). We would have preferred to see them all become law because we believed that a larger market with many competitors would have produced the best possible product for the consumer. It would also have created an environment where many vendors were competing for space in our establishments.

The MTA position on Sports Betting bills during the legislative session was: any bill that met our minimum criteria, would gain the support of the MTA, therefore we supported all three bills. So what were the minimum criteria?

1. Sports betting needs to be electronic, kiosk based.
2. Sports betting needs to pay some revenue into the state's general fund.
3. Sports betting proposals need to be good for the Montana economy, and support main street businesses in Montana.
4. Sports betting needs to occur at licensed gaming establishments. Proposals could include limited mobile applications where sports bets are made via a mobile device, while at a licensed gaming operator's location.



We negotiated in all our key requirements into SB 330 during the drafting process and we were successful at adding an amendment to HB 725 during the legislative process that required that sports betting would occur at locations licensed as a gaming operator. Both proposals achieved a balance that many lawmakers were seeking; where Sports Betting would be available for adults to engage in, but would not be present everywhere you went, such as grocery stores; or fully mobile and on everyone's cell phone. This balance should be a good deal for the Montana economy and a good deal for Montana Tavern Operators.

I believe this was a big win for Montana taverns, and something that certainly would not have happened without the Montana Tavern Association's work in the Capital.

Here is a section of the new law (HB 725) that the MTA was instrumental in advocating for on your behalf:

(9) "Sports wagering equipment" means a mechanical, electronic, or other device, mechanism, or other gaming equipment and related supplies that is connected to the state lottery central gaming system and used or consumed in the operation of sports wagering **at the licensed sports wagering facility** including a self-service terminal installed to accept sports wagers.

(10) "Sports wagering facility" means a lottery location approved under a sports wagering license and licensed under **Title 23, chapter 5, as a gambling operator**.

(11) "Sports wagering license" means a license issued by the state lottery that authorizes the operation of sports wagering through sports wagering equipment, including sports wagering conducted through mobile application or other digital platforms that is initiated and received or otherwise made exclusively **within the physical confines using location-based services of the single approved sports wagering facility**

Will the Lottery sports betting product be good for your establishment? The jury is still out on that one. But know that the MTA will be looking out for your interests every step of the way.

If you would like to provide input to the MTA on Sports Betting please contact MTA at 406.442.5040 or email Margaret@MTtaverns.org.