EXHIBIT 4
DATE 1-17-07
HB # 190

DEPARTMENT OF JUSTICE
HB 190: General Revision of Card Game Laws

Background

The popularity of the game Texas Hold'em has created new life for Montana's poker games. Over the past four years, the number of dealer applications has increased four-fold – from 208 in FY 03 to over 901 in FY 06. The number of licensed card tables also has increased substantially – from 163 in FY 03 to 491 in FY 06.

Montana's card game act was revised in 1989 as part of the comprehensive review of gambling laws that led to the creation of the Gambling Control Division and the consolidation of gambling regulation at the state level. The statute authorizes taverns and casinos to license tables that offer limited-stakes poker games.

In response to the growth in workload for poker licensing and some frustration with existing laws among poker players, the Gaming Advisory Council (GAC) undertook a year-long review of card game laws.

Issues Identified by the Gambling Advisory Council

The GAC heard a long list of concerns from gambling operators, poker players and the Gambling Control Division. After much deliberation, the GAC developed legislation to address the following issues:

- Temporary Licenses – The process for granting temporary licenses, which is set out in statute, is resulting in many dealers obtaining temporary licenses without ever submitting a full application. HB 190 would require all applicants for temporary licenses to meet with GCD staff and submit the licensing fee and their fingerprints before they could get a temporary license.

- Card Tournaments – Current tournament rules and laws do not clearly allow the type of progressive tournament format that is now popular. HB 190 would allow tournaments to award entry in a higher level tournament as a prize, and provide for charitable card tournaments.

- Social Card Games – State law restricts the play of games, like pinochle and cribbage, that are primarily social. This has led to conflict with tribal gaming jurisdictions and does not appear to be an area that requires regulation. HB 190 would remove social card games from the definition of gambling and mirror the federal definition.

- Other issues – HB 190 also addresses house players, posting credit gambling rules, tournament buy-in limits and the license fee for card room contractors.