



ADMINISTRATIVE RULES OF MONTANA

23.16.1823 VIDEO GAMBLING PERMITS – ELIGIBILITY, APPLICATION, RENEWAL, PRORATION

- (1) A gambling operator is eligible to apply for video gambling machine permits only if the operator holds an appropriate alcoholic beverage license and:
 - (a) the restrictions of 23-5-629 and 16-4-213, MCA, do not apply;
 - (b) the restrictions of 23-5-629, MCA, apply, and
 - (i) the department receives a written application from both common owners that provides revocable consent for a single common owner to apply for video gambling machine permits exclusive of the other; or
 - (ii) the operators are common owners, as defined in 23-5-629, MCA, but do not, in fact, operate in an interrelated manner as defined in (2); or
 - (c) the resort area gambling machine permit restrictions of 16-4-213, MCA, apply, but fewer than 20 gambling machines are currently permitted in the resort area.
- (2) Operators subject to the restrictions of 23-5-629, MCA, operate in an interrelated manner when they are common owners, as defined in 23-5-629, MCA, and the common owners operate the licensed businesses for their mutual or individual advantage, gain, or convenience. Operators meeting one or more of the definitions of "common owner" in 23-5-629, MCA, are presumed to operate in an interrelated manner and are presumed ineligible for video gambling permits. The presumption that operators subject to the restrictions of 23-5-629, MCA, are operating in an interrelated manner may be rebutted by the operators' submission to the department of evidence that they do not, in fact, operate in an interrelated manner. An operator applying for permits under this rule must:
 - (a) submit such evidence prior to applying for a video gambling machine permit;
 - (b) prove by a preponderance of the evidence that they do not operate in an interrelated manner; and
 - (c) submit any challenges to the department's intended action on such applications as outlined in ARM 23.16.203.
- (3) An eligible gambling operator or machine owner must submit a completed video gambling machine permit application (Form 8) for each machine to be permitted. The application to permit a video gambling machine may also be submitted electronically and paid with an electronic check or credit card on a state-sponsored internet site. An application is not complete unless:
 - (a) it contains all information and statements required by Form 8; and
 - (b) it includes the permit fee required by 23-5-612, MCA.

- (4) A permit fee is not refundable after the department issues the permit except:
- (a) the department must refund a permit fee if the permit application is withdrawn before issuance or if the department denies the permit; or
 - (b) when the applicant demonstrates the permit application was the result of an inadvertent input error and the erroneously permitted machine was not placed in service.
- (5) The department shall prorate the permit fee for a video gambling machine on a quarterly basis according to the following schedule:

Effective Dates For Permit	Permit Fee
July 1 through June 30	\$240
October 1 through June 30	\$180
January 1 through June 30	\$120
April 1 through June 30	\$60

- (6) Video gambling machine permit renewals and fees must be submitted to the department prior to June 30 of the current license year.
- (7) The department may consider the same criteria for renewal of permits as for the original issuance of a permit. Failure to satisfy the permit criteria contained in the act and these rules may result in denial of renewal of the permit.
- (8) Upon approval of a permit application, the department will issue a new gambling operator license listing all renewed or newly permitted machines. A gambling operator may not place a machine in service before receiving the updated gambling operator license.
- (9) The department shall authorize reduced permitting fees if the location is licensed during the first quarter of the fiscal year and the video gambling machines have already been permitted at the current location by the selling entity. The reduced fee is set at \$25 per video gambling machine per 23-5-612, MCA.

Authorizing statute(s): 23-5-115, 23-5-621, MCA

Implementing statute(s): 16-4-213, 23-5-602, 23-5-611, 23-5-612, 23-5-621, 23-5-629, MCA

History: EMERG, NEW, 1985 MAR p. 1623, Eff. 11/1/85; TRANS, from Dept. of Revenue, Ch. 154, L. 1987, Eff. 3/22/87; AMD, 1987 MAR p. 1972, Eff. 10/30/87; TRANS, from Dept. of Commerce, Ch. 642, L. 1989, Eff. 7/1/89; AMD, 1990 MAR p. 828, Eff. 4/27/90; AMD, 1991 MAR p. 1942, Eff. 10/18/91; AMD, 2003 MAR p. 1282, Eff. 6/27/03; AMD, 2005 MAR p. 964, Eff. 6/17/05; AMD, 2005 MAR p. 1281, Eff. 7/15/05; AMD, 2006

MAR p. 2131, Eff. 9/22/06; AMD, 2013 MAR p. 1340, Eff. 7/26/13; AMD, 2017 MAR p. 1893, Eff. 10/14/17; AMD, 2019 MAR p. 1860, Eff. 10/19/19; AMD, 2024 MAR p. 472, Eff. 3/9/24.