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The _____ MICHIGAN GAMING _____ Newsletter



POKAGONS ANNOUNCE TRIBAL ELECTION RESULTS

Yesterday, the Pokagon Band of Potawatomi Indians announced the uncertified results of their 2009 Tribal Elections. The Elections were held on Saturday, July 11. The results will be certified by Tribal officials before July 18.

Matt Wesaw is the newly elected Tribal Chair. Mr. Wesaw, former Director of Government Relations for the Michigan State Trooper's 'Trooper Association,' served as Member-at-Large and Vice-Chairman since 2006. He succeeds former Tribal Chair John Miller.

Butch Starrett will replace Matt Wesaw as Vice-Chairman of the Tribal Council. Mr. Starrett served as Member-at-Large since 2000.

Lynn Davison will replace Gerald Wesaw as the Elder's Representative on the Tribal Council. Mr. Davidson served on the Tribal Council as a Member-at-Large from August 2005 through May 2006.

Edna Faye Wesaw was elected as Tribal Secretary. Ms. Wesaw previously served on the Tribal Council as Member-at-Large from 1999 through 2006.

Alice Overly was elected as Member-at-Large. Ms. Overly sat on the Tribal Council as a Member-at-Large from 1999 through 2001.

All 11 Tribal Council positions are held for three-year terms, and with exception of the Tribal Chair, are part-time positions.

OHIO GAMING UPDATE

On Monday, the Ohio legislature approved a new FY 2010-2012 state budget that allows Ohio Governor Ted Strickland to add video lottery terminals (VLTs) to Ohio's seven horse racing tracks, proposed to be operational by May 2010. The Ohio House approved the budget 54-44, and the Ohio Senate passed the bill 17-15.

Ohio's third seven-day interim budget also went into effect this week to allow state legislators to draft documents to put the \$50.5 billion budget before Governor Strickland for his signature. The temporary budget is scheduled to expire June 30.

The method of implementation for VLTs in Ohio has been the topic of debate recently for Ohio legislators, as the idea of VLTs had been offered by state officials in efforts to help cure the estimated \$3.2 billion budget deficit.

Under the new proposal, each track must pay a one-time licensing fee of \$65 million, with \$13 million due September 15. The state will receive 50 percent of profits generated by the VLTs; it is unclear how the remainder will be distributed.

Under Governor Strickland's original plan, submitted three weeks ago, it was estimated that the implementation of up to 15,250 VLTs would potentially generate nearly \$1 billion in 14 months. The state would collect 48 percent of revenue for state education programs, while the other 52 percent would be split among the seven track owners to pay operational expenses, including payouts to winners.

Opposition to the budget was voiced by the Ohio Christian Alliance who said it might sue to block the move. In addition, the conservative group, Ohio Roundtable, has already vowed to sue.

The Ohio Lottery will be responsible for VLT oversight and regulation.

Any expansion of gaming in the state will likely compete with a separate proposal to allow four Las Vegas-style casinos in Ohio. The Ohio Jobs and Growth Committee campaign recently submitted 850,000 petition signatures to the Ohio Secretary of State. If the petition is certified,

Ohio voters will be asked on the November 2009 state-wide ballot whether casinos should be built in Cleveland, Cincinnati, Columbus, and Toledo. The tax rate for the casinos would be 33% and the minimum capital investment per casino location would be \$250 million each and would require each casino to pay a \$50 million licensing fee.

Previous attempts to amend Ohio's constitution to expand gaming options failed in 1990, 1996, 2006 and most recently in 2008.

FIREKEEPERS CASINO UPDATE

On Wednesday, officials of the FireKeepers Casino Local Revenue Sharing Board (LRSB) cancelled their first meeting. The reason the meeting was cancelled is that the Tribe's compact with the state of Michigan may be amended to change the composition of the LRSB.

According to Emmett Township Clerk Gloria Michaelle, the amendments are in furtherance of efforts by the state of Michigan to create more uniform Tribal compacts across the state and will likely result in a LRSB made up of five or more individuals.

According to an Emmett Township-Calhoun County news release, the Nottawaseppi Huron Band of Potawatomi, which owns FireKeepers Casino, is meeting with state officials to modify the 1998 compact that controls the LRSB make-up.

The LRSB duties, functions and disbursement of the estimated \$2 million in funds are not expected to change, according to Tribal spokeswoman Donna Halinski.

Located on Michigan Avenue near Exit 104 of I-94, just outside of Battle Creek, Michigan, the \$300 million FireKeepers Casino project is owned by the Nottawaseppi Huron Band of Potawatomi Indians. The actual casino will be managed by Gaming Entertainment (Michigan), L.L.C., a joint venture between Las Vegas-based Full House Resorts Inc., and RAM Entertainment, L.L.C., a privately owned investment company.

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INDIANA LIVE! FINED \$124,000 BY GAMING COMMISSION

On June 11, 2009, the Indian Gaming Commission fined Indiana Live! Casino \$124,000 for five violations, including inaccurate revenue reporting.

A fine of \$75,000 was issued to the casino property due to several late and incorrect tax filings, likely due to the admitted inaccurate reporting of daily totals at the new casino.

The 233,000 square-foot casino was also fined \$40,000 by the commission for the advertised, yet failed, appearance of celebrities Justin Timberlake and Jessica Biel at the grand opening, held on March 13. The casino reached its 8,615 person capacity quickly after opening its doors to the public.

A \$5,000 fine was also issued for the casino's failure to notify gaming authorities of a crime that may have occurred on the casino gaming floor.

Fines of \$2,500 and \$1,500 were issued for software violations at the casino. The first violation was due to the use of unapproved software in the casino's slot machines. The second fine was due to slot machine software ordered by the casino which the Commission had not tested or approved.