

July 21, 2017

Volume 23, Issue 24

For more information on
Michigan's gaming industry,
please visit
www.michigangaming.com

Editor in Chief

David D. Waddell, Esq.

Phone: 517.507.3859

waddell@rmclegal.com

*Senior Gaming Analyst
& Editor*

Robert R. Russell, II

Phone: 517.507.3858

russell@rmclegal.com

Reporter and Associate Editor

Blaine R. DeGracia

Phone: 517.507.3857

degracia@rmclegal.com

Reporter

J.J. Burchman

Phone: 517.999.5414

burchman@rmclegal.com

Subscription information:

info@michigangaming.com

A publication of

RMC Ventures, LLC

Asher Court

321 W. Lake Lansing Rd.

East Lansing, MI 48823

Phone: 517.507.3860

Fax: 517.908.0235

www.rmclegal.com

The MICHIGAN GAMING Newsletter



MGCB PRESS RELEASE: DETROIT CASINOS PROVIDE NEARLY \$2 BILLION IN TAXES FOR PUBLIC EDUCATION, THOUSANDS OF JOBS SINCE 1997 MICHIGAN GAMING ACT SIGNED

Detroit – Michigan has received more than \$1.9 billion in casino tax revenue for public education since Gov. John Engler signed the Michigan Gaming & Revenue Act, which took effect July 17, 1997, and launched the commercial casino industry in Detroit. Additionally, the city of Detroit has received an estimated \$2.6 billion in wagering taxes from the Detroit casinos to date since the first casino opened in 1999.

A legislative initiative approved by voters in November 1996 permitted up to three commercial gaming casinos in Detroit. It also established a gaming control board to regulate casino gaming and imposed an 18 percent state tax on gross gaming revenues. The tax rate was amended in 2004, and the current tax rate is 8.1 percent to the state and 10.9 percent to the city of Detroit on the casinos' adjusted gross receipts, or net win. The city also receives additional funding under development agreements it negotiated with the casinos.

"The Michigan Gaming Control Board grew from 19 people hired in 1997 to 138 people today," said Richard Kalm, executive director of the agency since 2007. "The agency regulates not only the Detroit casinos but also pari-mutuel horse racing and charitable casino-style gaming. It also audits 12 tribes' compliance with compacts covering 23 tribal casinos. For 20 years, the MGCB has been dedicated to protecting Michigan's citizens by ensuring the integrity of gaming."

The MGCB began processing casino license applications in April and May

1998. On July 28, 1999, the MGCB issued the first commercial casino license in Michigan to MGM Grand Detroit LLC. MotorCity Casino began operations less than three hours after the MGCB issued its license on Dec. 14, 1999. The MGCB issued the third and final authorized casino license to Greektown Casino LLC on Nov. 10, 2000.

Along with the three casinos, more than 1,400 businesses – including 800 Michigan companies that supply goods and services to the Detroit casinos – register with or are licensed by the MGCB.

Both the casinos and the businesses that support them have created jobs in Michigan.

“Thousands of Michigan residents work at the casinos, and we license more than 6,800 of them,” Kalm said. “We conduct background investigations to determine the applicant’s suitability to work in the casinos.”

Some employees are exempt from licensing such as hotel, banquet and kitchen staff.

The agency also supports a disassociated persons program for problem gamblers. Since its inception in 2001, more than 4,000 people voluntarily have banned themselves for life from the three Detroit casinos.

“Through the years, we oversaw the move from temporary to permanent casinos, watched the addition of hotels and other amenities and weathered the Greektown Casino bankruptcy,” Kalm said. “The MGCB has worked hard for 20 years to represent the interests of Michigan citizens while allowing the casinos’ management to run their businesses with reasonable oversight.”

The casino industry will continue to change as patrons’ interests evolve and technology brings new ways to game. The MGCB will adapt to these changes and new regulatory challenges while applying regulations reasonably, effectively and efficiently.

"The Michigan Gaming Control Board shall ensure the conduct of fair and honest gaming to protect the interests of the citizens of the State of Michigan."

SOARING EAGLE CASINO AND RESORT TO UNDERGO \$26.5M RENOVATION

The Saginaw Chippewa Tribal Council voted 11-1 to fund a \$26.5 million renovation project for the Soaring Eagle Casino and Resort in Mt. Pleasant, Michigan. The news comes on the heels of a recent ground breaking ceremony held on June 30 for the Tribe’s planned expansion of its Saganing Eagles Landing Casino in Standish, Michigan, which includes an expanded gaming area and the addition of a new hotel.

The Soaring Eagle Casino and Hotel renovation is scheduled to start this fall and be completed by spring of 2018. The seven-phase construction plan is concentrated on both gaming and non-gaming amenities such as a new sports bar and night club, updating the Entertainment Hall, upgrades to the non-smoking area, re-designing the arcade area, a new high limit & VIP lounge area, and a relocated poker room.

For additional information and for a 3-D walkthrough of the planned renovation, please visit: http://www.soaringeaglecasino.com/SECR_Renovations/SECR_Renovations.aspx

FIREKEEPERS CASINO HOTEL RECOGNIZED AS 2017 CORPORATE COMMUNITY LEADER

On July 19, 2017, FireKeepers Casino Hotel announced that it has been named a 2017 Corporate Community Leader by Gov. Rick Snyder and the Michigan Community Service Commission (MCSC). The Corporate Community Leader award honors corporations and businesses that excel in community involvement and demonstrate

excellent corporate citizenship by giving back to their community in a variety of ways.

According to FireKeepers, they actively partner with local charities, including S.A.F.E. Place Women's Shelter, the Food Bank of South Central Michigan, Big Brothers Big Sisters, and the Charitable Union. Through these partnerships, the FireKeepers team has provided nearly 100,000 pounds of food to those in need, raised over \$60,000 for the Boys and Girls Club of Greater Kalamazoo and donated more than 3,000 volunteer hours to S.A.F.E. Place.

"We take our strong community focus from our owners, the Nottawaseppi Huron Band of the Potawatomi. Supporting our community and improving the lives of our local residents is important to every person who works here and should be a source of great pride and satisfaction," stated FireKeepers CEO Kathy George. "Building a positive influence is our number one goal."

GLOBAL GAMING BUSINESS MAGAZINE ANNOUNCES CALL FOR ENTRIES FOR GAMING TECH AWARDS

Global Gaming Business Magazine is currently accepting entries for their 17th annual Gaming and Technology Awards.

According to the organizer, the GGB Gaming & Technology Awards are the casino industry's most prestigious awards for technology, products and services that enhance the gaming experience. The honors are designed to recognize and encourage innovation and technology in the rapidly changing casino industry.

This year's call for entries fall into four separate categories, they include 1) Best consumer-service technology, 2) Best productivity-enhancement technology, 3) Best slot product, and 4) Best table-game product or innovation.

Winners will be announced in the November 2017 issue of *Global Gaming Business* magazine and awards will be presented at Global Gaming Expo (G2E), October 3-5, 2017 at the Sands Expo Center in Las Vegas.

The deadline to submit nominations is August 18, 2017 and entry forms can be found at ggbmagazine.com/ggbs-gaming-technology-awards.

For any questions or concerns please contact GGB Sales Director John Buyachek at jbchek@ggbmagazine.com.

REGISTRATION OPEN: 2017 GLOBAL GAMING EXPO

Registration for the 2017 Global Gaming Expo is now open. For Pricing Packages and Registration visit:

www.GlobalGamingExpo.com

The Global Gaming Expo ("G2E"), which is presented by the American Gaming Association (AGA), will be held in Las Vegas from October 2-5 at the Sands Expo and Convention Center.

G2E 2017 will offer the next generation of casino innovations with the official introduction of skill-based slot machines. This year saw skill-based slots launching in casinos across the nation, and G2E 2017 attendees will experience the next iteration of these game-changing products before they are made available to the public.

"As the legalization of sports betting continues to grab national headlines, G2E 2017 will bring in the nation's top experts to address what a legal, regulated sports betting market will look like for our industry," said Geoff Freeman, AGA president and CEO.

Registration for the 2017 G2E exhibit hall and G2E seminars is now open. For Registration, Pricing Packages and Overview please visit: www.globalgamingexpo.com.