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The _____ MICHIGAN GAMING _____ Newsletter



MICHIGAN LEGISLATIVE UPDATE

Two gambling-related bills have recently been reintroduced in the Michigan Legislature.

On January 18, 2017, State Representative Robert Kosowski (D-Westland) introduced [House Bill No. 4060](#) (HB 4060), which proposes to amend the Michigan Gaming Control and Revenue Act to authorize wagers on sporting events to be placed at the state's commercial casinos. This mirrors legislation from 2016 also introduced by Representative Kosowski which did not make it out of committee during the last session.

In addition, on January 18, 2017, Senator Rick Jones (R-Grand Ledge) introduced [Senate Bill No. 0035](#) (SB 0035) which seeks to amend the "Traxler-McCauley-Law-Bowman Bingo Act" and to overhaul the Bingo Act's provisions regulating charitable millionaire parties held within the state. Notably, a similar bill previously passed the Senate on December 9, 2015 but expired at the end of the legislative session.

Both bills have been referred to their respective Committee on Regulatory Reform.

MICHIGAN TRIBAL GAMING EXPANSION UPDATE

State of Michigan Files Motion for Summary Disposition in Bay Mills Litigation

On January 13, the State of Michigan filed a Motion for Summary Disposition in the case of *Bay Mills Indian Community v. Michigan Gov. Rick Snyder*. Both sides are currently awaiting a response from Judge Paul Maloney of the Western District Court of Michigan who will seek to answer the question of

whether the Michigan Indian Land Claim Settlement Act (“MILCSA”) automatically grants legal status of “Indian Lands” to lands that the Bay Mills Indian Community (“Tribe”), acquires with funds from its land trust settlement funds.

The Tribe claims that the use of MILCSA funds to purchase land in Vanderbilt, MI makes such land “Indian lands” eligible for gaming under the Indian Gaming and Regulatory Act. According to the Motion for Summary Disposition, the Tribe’s theory relies on a portion of the MILCSA which states that “[a]ny land acquired with funds from the Land Trust shall be held as Indian lands are held.”

This matter arose when, on November 3, 2010, when the Tribe opened its Vanderbilt Casino and faced almost immediate pushback. The Michigan Attorney General’s office issued a letter to the tribe in December 2010, stating that the casino was not operating on tribal land.

In late 2013, this matter made its way to the U.S. Supreme Court after the Vanderbilt casino was closed following the entry of a preliminary injunction by the U.S. District Court for the Western District of Michigan in March, 2011. The Supreme Court heard the case following the decision reached by the Sixth Circuit Court of Appeals, which reversed the injunction in August of 2013.

A copy of the Supreme Court opinion can be found [here](#).

The State of Michigan’s Motion for Summary Disposition argues that “Bay Mills’ position concerning restricted fee under MILCSA ignores the plain language of MILCSA, MILCSA’s legislative history, and federal common law. Thus, the Governor is entitled to have summary judgment entered in his favor, fully disposing of this case.”

Additionally, the Motion states that there is no “material question of fact” and asks that the “Court grand judgement fully in his [Governor Snyder] favor and declare that purchasing lands with funds from the Bay Mills Land Trust does not automatically make those lands Indian lands

eligible for gaming under IGRA.”

The Motion for Summary Disposition can be found [here](#).

Notably, on January 12, 2017, the Saginaw Chippewa Indian Tribe, which has previously opposed the Tribe’s Vanderbilt Casino, filed for a motion to join the litigation in order to protect its interests. No decision has yet been made regarding the request, however.

The Saginaw Chippewa Motion to Intervene can be found [here](#).

U.S. DOI Requests Further Information Before Deciding Trust Land Applications for Lansing and Huron Township

On January 24, 2017, the Sault Tribe of Chippewa Indians (“Tribe”) announced that the U.S. Department of the Interior (“DOI”) had issued a letter relating to its land in trust claim filed based on the Michigan Indian Land Claims Settlement Act (“MILCSA”) or (“Act”). The DOI has asked the Tribe for more evidence to show the proposed parcels qualify under the Act as claimed by the Tribe.

In a January 19, 2017 letter to Sault Tribe Chairperson Aaron Payment, the DOI requests that the Tribe demonstrate two distinct things:

1. That the lands were “acquired using amounts from interest or other income of the, ‘Self-Sufficiency Fund,’” and
2. That the expenditures from the Tribe’s Self-Sufficiency Fund were in accordance with one or more of the limitations provided in Section 108(c) of the MILCSA, which states that funds must be used (1) as an addition to the principal of the Fund, (2) as a dividend to tribal members, (3) as a per capita payment to some group or category of tribal members designated by the board of directors, (4) for educational, social welfare, health, cultural, or charitable purposes which benefit the members of the Sault Ste. Marie Tribe, or (5) for consolidation or enhancement of tribal

lands.

Chairman Payment said that the Tribe “remains absolutely confident in our legal theory” and that a decision on how to respond to the January 19 letter would occur “in the very near future.”

The Tribe filed applications in June of 2014, to take 2.7 acres of land in downtown Lansing and 71 acres in Huron Township into trust. The Tribe is hoping that each parcel will serve as a gaming location.

MGCB ADOPTS MULTI-JURISDICTIONAL BUSINESS FORM

On January 18, the Michigan Gaming Control Board (“MGCB”) announced that it has adopted the [Multi-Jurisdictional Business Form](#) (“MJBF”) developed by the International Association of Gaming Regulators (“IAGR”). The MGCB notes that it will begin accepting this form immediately and that companies choosing to use this form will also be required to complete and submit its Michigan [supplemental form](#).

The IAGR believes that the MJBF will help streamline the application process for business entities and the MGCB anticipates that their adoption of the form will benefit suppliers doing business in multiple gaming jurisdictions.

If you have any questions, please contact the MGCB Enterprise Licensing Section at 313-456-1459 or by email to MGCB-suppliers@michigan.gov.

GREEKTOWN CASINO-HOTEL INTRODUCES NEW TECHNOLOGIES

On January 18, 2017, Greektown Casino-Hotel announced the launch of two new technologies, GT Connect and the Greektown Mobile App, which are focused on player loyalty and enhanced player experience. The GT Connect connects a virtual player’s card by way of a secure USB port installed in each slot machine, so that guests are

able to earn rewards, download bonus play and securely charge their smartphones.

The Greektown Mobile App, enables players to use their smartphone for every available loyalty program. According to Greektown, guests may scan their virtual player’s card at table games, promotional kiosks, the GT Rewards desk and the parking garage as well as use it to pay for meals with comps at any casino food and beverage venues.

Additional features of the app include:

- Player rewards: View account information, including comps, offers and promotions, redeem points for free play and convert comps to bonus play at the slot machine
- Hotel reservations: Connect directly to hotel operators with a simple click
- Restaurant reservations: Make reservations at Greektown Casino-Hotel restaurants
- Valet Vehicle retrieval: Request vehicles from any valet location, regardless of drop-off point, by scanning or entering a vehicle ticket number directly into a smartphone
- Slot machine locator: Locate favorite slot machines on the casino gaming floor

“GT Connect and the Greektown Mobile App are technologies that demonstrate our commitment to innovation, and to improving our guests’ experience,” said Brian Eby, senior vice president of operations and chief innovation officer at Jack Entertainment, the parent company of Greektown Casino-Hotel. “These modern advances provide our guests with a technological solution to simplify their participation with our loyalty program by offering a more convenient way for them to connect with us and earn and manage their GT Rewards, without the need for a traditional player’s card.”