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The _____ MICHIGAN GAMING _____ Newsletter



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Hazel Park Raceway Offering Mobile Wagering (On-Site)

Hazel Park Raceway is offering customers the opportunity to place wagers on mobile devices on both live racing and on simulcast races (from throughout the country) while on site at the track. The track's website indicates that to take advantage of this offering, customers must go to the Customer Service desk and fund an account to be used for this purpose. They are then given an Account ID and PIN which can be used on a

Wi-Fi network that the track has established to place the wagers. This allows patrons to place bets on tracks all over the country on their mobile devices while on the grounds of the raceway.

Currently pending in the Michigan Legislature are two bills (SB 382 and HB 4611) that seek to authorize the licensing of “third party facilitators” to offer off-track betting. The current Horse Racing Act provides that a “person shall not participate or be a party to any act or transaction relative to placing a wager or carrying a wager for placement outside of a race meeting ground.” MCL 432.317(8).

Presumably, the pending legislation would result in widespread Internet gaming within the state of Michigan on horse races both on instate tracks and on tracks operating outside of the state of Michigan.

Michigan Lottery Considering Rule Changes

The Michigan Lottery is in the process of amending its rules with respect to eligibility and collection process for prizes. In the [proposed revision](#), the Lottery proposed that contractors should not be eligible for any prizes. The proposed rules also restrict prize winners to natural persons and exclude entities. The draft rules were approved by the Office of Regulatory Reinvention (“ORR”) on August 1, 2017. The Lottery submitted the required [Regulatory Impact Statement](#) to ORR on September 20, 2017.

In its statement, the Lottery indicated that the proposed rules “do not exceed standards in similarly situated states.” It noted that the previous rules allowed a trust or other entity to claim a prize, which could be used to circumvent eligibility rules and payment of debts owed to the State. Lottery stated: “If the rule is unchanged, the Lottery must continue to investigate entities that claim prizes to identify all persons entitled to a portion of the prize through that entity and whether they are ineligible or owe certain debts to the State.”

If the ORR approves the proposed changes, the Lottery will have to publish a notice indicating the deadline for any written comments in the Michigan Register, including the date of the public hearing at which Lottery will discuss the proposed rules.

Michigan is not the only state that has dealt with eligibility and rules for claiming prizes. In Iowa, the former computer information security director for the Multi-State Lottery Association recently testified in his sentencing hearing in a Wisconsin courthouse that he wrote software to allow him to predict winning numbers which led to him cashing in a \$14 million jackpot in 2010. Iowa made changes to its security and access procedures as a result. For more information, see [here](#).

Greektown Casino Will Rebrand in 2018

Greektown Casino announced on Monday, September 18, 2017 that it will rename its casino and hotel “Jack Detroit Casino-Hotel”, effective May 1, 2018. In connection with the rebranding, Greektown has started multi-million dollar renovations to both the interior and the exterior of the casino. The construction is expected to be completed by May 2018.

In preparation for the rebranding, Greektown announced that on September 30, it will place a property-wide sign atop the casino and hotel. It also announced that the Market District food area will be rebranded as Monroe Market and existing restaurants will be replaced with six fast-casual

eateries. Finally, it also plans to install a new bar in the casino area and open a new sushi and ramen restaurant.

Amici Briefs Filed in US Supreme Court Case Involving Gun Lake Land in Trust

A group of [Federal Court and Federal Indian Law Scholars](#) filed an amici curiae brief this week in the Supreme Court case against the Secretary of Interior and the Gun Lake Tribe. The case was brought by David Patchak who for several years has contested the land in trust decision relating to the Gun Lake Indian Tribe's land.

Patchak filed a lawsuit challenging the Department of Interior's authority to take land into trust for the tribe. In 2009, the federal district court dismissed the case finding that Patchak lacked prudential standing. This decision was reversed by the Court of Appeals, which the U.S. Supreme Court previously affirmed, remanding the case to the lower court for further proceedings.

While the lower court case was still pending, Congress enacted the Gun Lake Trust Land Reaffirmation Act (the "Gun Lake Act") which reaffirmed the trust status of the land in question and further provided that "[n]otwithstanding any other provision of law, an action (including an action pending in a Federal court as of the date of enactment of this Act) relating to the land . . . shall not be filed or maintained in a Federal court and shall be promptly dismissed." Gun Lake Trust Land Reaffirmation Act, Pub. L. No. 113-179, § 2(b), 128 Stat. 1913.

Following this directive in the Gun Lake Act, the federal district court dismissed the case, and Patchak appealed. Before the United States Supreme Court, Patchak is arguing that the enactment of the Gun Lake Act violates the separation of powers principles of the United States Constitution. In July of this year a group of "Federal Courts Scholars" filed an amici curiae Brief in support of Patchak arguing that an act of Congress that compels a judicial outcome without

amending substantive law violates the separation of powers.

This week, a separate group of Federal Courts and Indian Law Scholars filed an Amici Curiae Brief supporting the Secretary of Interior and the Gun Lake Tribe's position. In their brief (page 2) they point out that a recent (2016) U.S. Supreme Court addressed the issue.

In *Bank Markazi v. Peterson*, 136 S. Ct. 1310, 1317 (2016), this Court was clear: "Congress, our decisions make clear, may amend the law and make the change applicable to pending cases, even when the amendment is outcome determinative." Congress did just that with the Gun Lake Act." The brief points out that Section 2 (a) of the Gun Lake Act made new law by taking the property in question into trust status by statute, and that the Court had previously stated that "Congress could and 'perhaps . . . should', withdraw federal jurisdiction by reinstating sovereign immunity", and that Congress did just that by enacting Section 2(b) of the Gun Lake Act which withdrew federal jurisdiction.

The brief further points out that Congress has a long history of enacting tribe-specific legislation, and argues that the Gun Lake Act does not intrude on the judiciary's role to weigh the merits of a case, but simply makes new law for the federal courts to apply. Therefore, they argue that the separation of powers is undisturbed by this action. Given the substantive changes made to the law, the brief points out that the Congressional determination and affirmation of the property's trust status is new law that a lower court would have to enforce in the event of remand.

Argument in the case is set for November 7, 2017.

Gaming Hall of Fame Announces Class of 2017

The American Gaming Association (AGA) has announced the four honorees to be presented

with the industry's highest honor at G2E 2017. The 2017 inductees were chosen for their contributions in shaping the modern casino gaming industry.

Since forming in 1989, the Gaming Hall of Fame has recognized significant leaders and trailblazers in the gaming industry. This year, more than one hundred accomplished and qualified candidates were nominated for recognition.

The Gaming Hall of Fame Class of 2017 is as follows:

Diana Bennett is a casino management luminary and renowned philanthropist. Along with involvement in the revitalization and development of several successful casinos, Bennett also instituted the philosophy of the "circle of service" and leads many charitable efforts to support youth, women's organizations, education, health initiatives and the arts.

John Breeding is the visionary behind the electronic card shuffler and proprietary table games. Breeding developed numerous card shufflers, electronic table games, slot machines, internet games and table games. The company he started in his home now has 800 employees and has products in six continents. Breeding's *Shuffle Master* remains one of Scientific Games' most profitable product brands.

Joe Kaminkow is a legendary slot game designer who pioneered the industry in licensing branded games. Kaminkow has led the industry in developing slot games with licensed brands from movies, tv shows, quiz shows and pop culture personalities. He is currently Chief Game Designer and Senior Vice President of Casino Games for mobile game developer *Zynga*.

Melvin B. Wolzinger is a prominent Nevada businessman and Las Vegas community leader. Wolzinger is known for his dedication to the good of the community and vision for the evolution of the Las Vegas business landscape. For seven decades, he has been instrumental in developing successful resorts and business ventures as "A

Founder of Las Vegas". He is also recognized for his generous support and championing of many nonprofit organizations.

The invitation-only ceremony honoring the Class of 2017 will be held Wednesday, October 4, at the Chairman's Reception during the annual Global Gaming Expo (G2E), presented by AGA and Reed Exhibitions.