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The **MICHIGAN GAMING** Newsletter



MICHIGAN SENATE PASSES SMOKING BAN: DETROIT CASINOS INCLUDED

Today, the Michigan Senate passed a proposed bill which seeks to ban smoking in public places, including bars, restaurants, indoor areas, as well as in the Detroit casinos. The proposed legislation, House Bill 4163, passed the Michigan Republican-controlled Senate by a vote of 25-12. The legislation now goes back to the Michigan House of Representatives for consideration.

House Bill 4163 was originally introduced in January of 2007, and after several changes to the bill were adopted by the Democratic-controlled House, the bill passed the House on December 5, 2007 by a vote of 56-46. The House version of House Bill 4163 called for a ban on indoor smoking in public places, but excluded private residences, cigar bars, smoke shops, the Detroit casinos, bingo halls and horse racetracks.

The currently proposed Senate version of House Bill 4163 would not impose smoking restrictions on Michigan's Native American casinos currently operating under Class III Gaming Compacts entered between the various Michigan tribes and the State of Michigan, as a result of Tribal sovereignty.

In order for the current draft legislation to become law, it will need to pass the Michigan House, and then be signed into law by Michigan Governor Jennifer Granholm. If the House makes additional changes, or adds certain exemptions back into the bill, the legislation would then return to the Senate for consideration.

The current version of the bill that passed the Michigan Senate today can be viewed at: [House Bill 4163](#).

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FINANCING FOR FIREKEEPERS CASINO SECURED

On Tuesday May 6, the Nottawaseppi Huron Band of the Potawatomi Indians announced that the financing for the construction of its FireKeepers Casino in Emmett Township, just outside of Battle Creek, Michigan, has been secured. The financing will consist of \$340 million in senior notes issued by the FireKeepers Development Authority, an unincorporated instrumentality of the Tribe. These senior notes will be due in 2015.

In a press release, Tribal Chairperson Laura Spurr stated, “[f]inalizing the financing is a significant step toward the construction of FireKeepers Casino. The Tribe and the community have waited a long time for our casino project to provide much-needed jobs and business opportunities to the greater Calhoun County region.”

The FireKeepers Casino will be owned by the Nottawaseppi Huron Band of Potawatomi Indians, and 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.

The FireKeepers Casino project calls for a 236,000 square-foot facility to be built on 78 acres of land in Emmett Township. When completed, the casino is expected to offer 2,500 class III slot machines, 90 table games and 20 poker tables. Construction is expected to begin in June, 2008 and be completed during the summer of 2009.

MICHIGAN HORSE TRACKS FILE SUIT CHALLENGING CONSTITUTIONALITY OF PROPOSAL 1 OF 2004

Last week, Northville Downs, Mt. Pleasant Meadows and the Great Lakes Quarterhorse Association filed a nine-page lawsuit in the United States District Court for the Eastern District of Michigan against Governor Jennifer M. Granholm and Michigan Attorney General

Michael Cox, seeking to declare Section 41, Article IV of the Michigan Constitution invalid and unconstitutional. The complaint, which has been assigned to United States District Court Judge Avern Cohn, alleges that this section of the Michigan Constitution violates the First Amendment’s Right to Petition for Redress of Grievances, the Equal Protection Clause of the Fourteenth Amendment, the Due Process Clauses of the Fifth and Fourteenth Amendments, and the Constitution’s Commerce Clause.

Section 41, Article IV of the Michigan Constitution encompasses the gaming expansion prohibition of Proposition 04-1, which was a ballot initiative passed by Michigan voters in November of 2004.

Proposal 04-1 requires: (1) the approval of voters in a statewide general election, as well as (2) the approval of a majority of electors voting in the township or city where new forms of gambling will take place before there can be the introduction of “any new state lottery games utilizing table games or player operated mechanical or electronic devices” or any law which authorizes any form of gambling after January 1, 2004. The plaintiff’s complaint also seeks to permanently enjoin Governor Granholm and Attorney General Cox from enforcing or relying upon the provisions of Proposal 04-1.

Phillip Maxwell, an attorney for the plaintiffs, told *The Detroit News* that, “[w]ithout legislative relief, you will see the end of horse racing in Michigan within three years. It’s very serious.”

Neither Governor Granholm nor Attorney General Cox has issued a comment on the pending lawsuit. A copy of the complaint can be obtained by clicking [here](#).