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The

MICHIGAN GAMING

Newsletter



PURE MICHIGAN GAMING SUMMIT TO BE HELD NEXT THURSDAY

Next Thursday, April 30, 2015, Pure Michigan Business Connect will be hosting Michigan's first matchmaking summit for those interested in participating in the gaming industry, at Ford Field in Detroit. The event is designed to allow individuals and businesses interested in doing business with the Detroit casinos to network with casino representatives and to learn more about the state's licensing requirements directly from the Michigan Gaming Control Board ("MGCB").

The event will be held in partnership with the three Detroit casinos – Greektown Casino Hotel, MGM Grand Detroit, and MotorCity Casino Hotel. In addition to the casino operators, the event will also include a panel featuring Mr. Kurt Steinkamp, MGCB Manager of Enterprise Licensing, to provide guidance on the agency's licensing process and requirements. The MGCB will also have staff available onsite to address questions from attendees.

"The Pure Michigan Gaming Summit is an excellent way to help potential Detroit casino suppliers learn directly from the Michigan Gaming Control Board (MGCB) about Michigan regulatory requirements," said Richard Kalm, Executive Director of the MGCB. "The event offers both good educational and networking opportunities."

Please note that the event is invite-only, but those interested may apply to Pure Michigan for be selected to participate by visiting the Pure Michigan website at: www.michiganbusiness.org

BILL INTRODUCED TO PREVENT LOTTERY FROM DISCLOSING WINNERS

Last Tuesday, April 14, 2015, legislation was introduced seeking to amend Section 25 of the McCauley-Traxler-Law-Bowman-McNeely lottery act (“Lottery Act”), which seeks to prohibit the Michigan Lottery from publicly disclosing the personal information of certain lottery winners.

House Bill 4433 (“HB 4433”) was introduced in the Michigan House and would, if signed into law, prevent the Michigan Lottery from publicly disclosing the name, address, or any other personal information concerning a winner of a prize awarded greater than \$10,000 unless the winner agrees to allow such disclosure in writing. HB 4433 applies to both Michigan-specific lottery games as well as multi-state lottery games that have been entered into pursuant to a joint enterprise participation agreement. Such disclosure limits already exist for Michigan-specific games.

“The Michigan Lottery is opposed to such legislation,” stated Jeff Holyfield, Public Relations Director for the Michigan Lottery. “The Michigan Lottery’s mission is to sell tickets to the public to provide funds to the state’s School Aid Fund. Our position is that allowing the identities of winners to be shielded from the public would hurt sales by reducing media coverage and limit the Lottery’s ability to use winners to advertise and promote games and prizes. Shielding the identities of winners of large prizes from the public also would undermine the public’s confidence in the integrity of the Lottery by reducing its openness and transparency.”

In addition, HB 4433 further clarifies that such information is exempt from disclosure under the Freedom of Information Act. It has been referred to the House Committee on Regulatory Reform, which is scheduled to be addressed on Wednesday, April 29, 2015.

OHIO LEGISLATURE SEEKS TO LIMIT PROMOTIONAL CREDITS AT GAMING FACILITIES

On April 14, 2015, Senate Bill 140 (“SB 140”) was introduced in the Ohio Senate which would, if signed into law, limit the amount of promotional credits that a gaming facility could offer to patrons. The bill also adds a definition of “enhanced video lottery terminal” that would allow certain video lottery terminal retailers to offer games that simulate roulette, dice, and card games. The statutory change would also provide flexibility for the state gaming commission to issues rules that further detail promotional credit.

SB 140 would amend the state’s gaming laws to limit the ability to provide promotional gaming credits to large gaming operators in the state. Video lottery terminal operators must have at least ninety percent of the total number of machines permitted at a single location, or 2,250 machines, and generate at least \$165 Million in video lottery terminal revenue per year. Similarly, casinos must have at least 4,500 slot and table games and generate at least \$330 Million in casino-related revenue per year. Operators that qualify under these standards may provide up to \$5 Million in promotional gaming credits per year.

In addition, SB 140 would allow video lottery terminal operators that qualify to offer promotional credits to operate “enhanced video lottery terminals,” defined in the bill as “any electronic device approved by the state lottery commission that provides immediate prize determinations for participants on an electronic display...and that have displays that simulate card games, dice games, or roulette.” If a qualified operator choses to use enhanced video lottery terminals, those machines would count towards the total number of video lottery terminals needed to offer promotional credits.

The bill has not yet been assigned to committee. For more information on SB 140, including the text of the bill, please visit the Ohio Legislature’s website at: <https://www.legislature.ohio.gov/>

MNO-BMADSEN ACQUIRES BUILDING FIRM

Today, April 24, 2015, the Mno-Bmadsen, the non-gaming economic development enterprise of the Pokagon Band of Potawatomi Indians announced the establishment of Seven Generations Construction, LLC and reported that Robert J. Farkas has joined the company as President.

In tandem with Seven Generations Architecture & Engineering, LLC the company provides comprehensive building solutions by offering architecture, engineering and construction services. Both companies are owned by the Mno-Bmadsen.

“To be able to instantly expand the Seven Generations AE service offerings is an exciting opportunity,” said Mr. Farkas. “To be back in South Bend among some of the industry’s best contractors has been a personal goal for a few years. With the start-up construction group we will focus on building client relationships as solid as the structures we put up. We are assembling a team of professional and tradespeople and will hit the ground running this spring.”

The Tribe’s development arm, Mno-Bmadsen, was chartered in 2007 as a wholly owned, unincorporated instrumentality of the Tribe. Under its charter, Mno-Bmadsen ultimately seeks to develop its resources in a manner that produces maximum long-term value for the Tribe’s Citizenry while establishing a secure investing environment.

For more information on either company, please visit: www.7Gen-GC.com and www.7GenAE.com for more details.