

January 10, 2020

Volume 26, Issue 2

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

Associate Editor

J.J. Burchman, Esq.
Phone: 517.999.5414
burchman@rmclegal.com

Features Editor and Reporter

Gabrielle Davis
Phone: 517.999.5416
gdavis@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



WHAT YOU NEED TO KNOW: SUPPLIERS SEEKING TO SERVICE TRIBAL AND COMMERCIAL CASINOS SPORTS WAGERING/IGAMING SERVICES

Michigan's gaming industry has an exciting year ahead, as both tribal and Detroit casino operators prepare to launch new online sports wagering and iGaming offerings. A great deal of planning will be required, not only for the operational teams at each casino, but also for the suppliers that will be working to support the new offerings. There are a great deal of resources available for businesses as they prepare to enter gaming-related contracts. One important step will be to prepare for the required licensing and reporting requirements that are necessary at both the tribal and State levels. There are many details that the various tribal and state regulators need to finalize. That does not mean, however, that there are not a number of proactive compliance steps companies can begin doing to be ready. Feel free to contact the professionals at RMC Legal to set up a time to review questions that you may have related to the business sector you are anticipating servicing.

TWO MICHIGAN TRIBES NAME SPORTBOOK AND ONLINE SERVICE PROVIDERS

This week, two Michigan Indian tribes announced that they had reached agreements with service providers to assist in providing sportsbook and online services in the state of Michigan.

The Lac Vieux Desert Band of Lake Superior Chippewa Indians has contracted with PointsBet to provide online and mobile sports wagering and gaming to be rolled out statewide once licensed and permitted under the new Michigan statutes authorizing sports betting and online gaming. This tribe operates the Northern Waters Casino Resort in Watersmeet, Michigan.

Commenting on the partnership in a press release, PointsBet Group CEO Sam

Swanell said: "PointsBet is pleased to have reached agreement for both online sportsbook and online casino operations with such a forward-thinking Tribe, and we look forward to many years of great success working together in Michigan."

James Williams, Jr., Lac Vieux Desert Tribal Chairman, stated: "The Tribe is excited to join forces with PointsBet to further the Tribe's economic development efforts and expand gaming online as allowable under Michigan and federal law. We are confident that this new opportunity will strengthen the Tribe's self-sufficiency and self-determination efforts and provide much needed revenue to continue to expand and enhance tribal governmental services as well as provide jobs for the LVD community."

PointsBet and LVD are also in continued exclusive negotiations regarding the operation of retail sportsbook operations at the Northern Waters Casino Resort, located on the Tribe's reservation in Watersmeet, Michigan, to complement the online offerings.

The Little Traverse Bay Bands of Odawa Indians Gaming Authority, which operates the Odawa Casino in Petoskey, Michigan, announced that it has entered into an agreement to provide first skin market access to The Stars Group for gaming throughout the state of Michigan. The Stars Group utilizes the brand "FOX Bet" in connection with its online platform and uses prominent sports announcer figures from FOX Sports to help promote its platform.

"We are excited to announce this agreement with the Odawa tribe, which further strengthens our market access as we work to continue to build our FOX Bet business into one of the leaders in the emerging U.S. online betting and gaming market," said Robin Chhabra, Chief Executive Officer, FOX Bet in a press release.

"The Tribe's partnership with The Stars Group extends beyond our reservation and places the thrill of world class sports betting and online gaming under every finger-tip sliding across a touch screen in the State of Michigan," said Fred

Harrington, Jr., of the Little Traverse Tribal Council.

Under the terms of the agreement, Odawa will receive a revenue share from the operation of the applicable online offerings by The Stars Group.

WIRE ACT BRIEFING SCHEDULE EXTENDED

The 1st Circuit Court of Appeals issued an order on January 2, 2020, extending NeoPollard Interactive LLC, New Hampshire Lottery Commission, and Pollard Banknote Limited's deadline to file a response brief. In the order, the court set a new deadline of February 26, 2020 for the response brief. Previously, the brief was due on January 21, 2020. With the extension, the Department of Justice's reply brief will now be due 21 days after NeoPollard's brief, likely to be March 18, 2020. For more details regarding the DOJ's brief, please see previous story in [Volume 26, Issue 1 of the Michigan Gaming Newsletter](#).

OPERATOR OF ALLEGED ILLEGAL ROSEVILLE CASINO MAY ACCEPT PLEA DEAL

David Hoppe, operator of an alleged illegal casino in Roseville, Michigan, will consider whether to accept a plea deal that would drop charges against his son and sister. Hoppe, his son Lucas, and Denise Hagen, appeared in the Macomb County Circuit Court on December 27 on allegations that they ran a gambling facility at the 777 Cafe. The three are charged with several counts, including: gambling operations, punishable by up to 10 years in prison and/or a fine of up to \$10,000; maintaining a gambling house for gain, a misdemeanor punishable by up to 2 years in prison or a fine of up to \$1,000; and using a computer to commit a crime, punishable by up to 4 years in prison and/or a fine of up to \$5,000.

Investigators allege that patrons were placing

wagers at slot-style gaming terminals, which Hoppe claimed were certified by the Michigan Gaming Control Board (MGCB), however, authorities say that they were not. In June, a search warrant was executed at Cafe 777, where 19 gaming terminals were seized, along with receipts and cash. Assistant Attorney General Bob Hayes told Judge Diane Druzinski that he is seeking approval to offer Hoppe a plea deal. Hoppe would plead guilty to a 10-year felony in exchange for dismissal of charges against his son and Hagen, and prosecutors would promise not to pursue a second case against them for a similar operation in Flint.

Before the trial scheduled for January 28, defense attorney Eli Muawad will respond to a motion by Hayes regarding whether the jury should learn of Hoppe's 2013 guilty plea to misdemeanor maintaining an illegal gambling or gaming facility. In his plea deal, Hoppe agreed that he would not make available to the public gaming machines not certified as non-gambling devices by the MGCB. Hoppe was originally charged with a 10-year felony charge of conducting a gambling operation without a license. Hoppe, his son, and Hagen remain free on personal bonds.

MGCB PUBLIC MEETING SCHEDULED FOR TUESDAY, JANUARY 21

The Michigan Gaming Control Board will hold a regular public meeting on Tuesday, January 21, 2020. The meeting will begin at 9:30 a.m. with the staff briefing, followed immediately by the regular agenda items.

January's meeting will consider recommendations for occupational licenses, supplier application and renewal requests, transfers of interest, violations of occupational licensees, and proposals for decision of occupational licensees. You can view the full agenda for the January meeting by clicking [here](#).

The meeting is open to the public, and questions, comments, and suggestions from the public regarding MGCB business, licensing regulation,

and conduct of casino gaming in Detroit are welcomed and encouraged during the public comment portion of the meeting.

The meeting will be located at the MGCB Detroit office, Cadillac Place, 3062 West Grand Blvd., Detroit Office Hearing Room. The Cadillac Place is in Detroit's New Center Area near the John Lodge Freeway (M-10), between Second and Cass Avenues. The Fisher Building and the Albert Kahn Building are nearby landmarks.