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The MICHIGAN GAMING Newsletter



AGEM PARTNERS WITH INDUSTRY LEADERS TO PROMOTE RESPONSIBLE GAMING EDUCATION

The Association of Gaming Equipment Manufacturers (AGEM), along with its 184 member companies from 22 countries, has joined the American Gaming Association (AGA) in its efforts to promote Responsible Gaming Education Week (RGEW). This year's RGEW is September 13 through 19.

The AGA first created RGEW in 1998, creating an opportunity for organizations in the gaming industry to focus on education and awareness of problem gambling and responsible gaming programs. It additionally offers an opportunity for employee training, providing literature to customers, and a forum to advance responsible gaming initiatives.

This year, the theme of RGEW is "Have a Game Plan. Bet Responsibly," the AGA's campaign focused on responsible sports wagering. Four key principles guide the campaign, including: setting a budget; keeping it social; knowing the odds; and playing legally.

In addition to education, AGEM has provided financial support to organizations that provide problem gambling awareness, treatment, and research. Funding for problem gambling services was reduced by more than 40 percent in the State of Nevada due to COVID-19 this year. The AGEM-GLI Lasting Impact Philanthropic Initiative has contributed over \$200,000 to the Dr. Robert Hunter International Problem Gambling Center in Las Vegas over the past two years. AGEM additionally contributes to the International Center for Responsible Gaming, the National Council on Problem Gambling, and other organizations.

"With the expansion of gaming that includes legal sports betting and new online activity, our commitment to responsible gaming is focused on continuing to

work with regulators, operators and the problem gambling community to help ensure a safe and enjoyable gaming experience," said AGEM Executive Director Marcus Prater. "We're proud to have Connie Jones, one of the leading experts in this field, working for us as AGEM Director of Responsible Gaming and providing both the AGEM Responsible Gaming Committee and the full membership with valuable guidance and insight."

AGEM values networking with others to help expand understanding of disordered gambling. Through the AGA's Responsible Gaming Collaborative, AGEM has worked closely with other industry members, academic professionals, and advocacy groups to further educate others on problem gambling.

WILLIAM HILL'S ONYX SPORTS BOOK AT TURTLE CREEK OPENS FRIDAY

Turtle Creek Casino & Hotel announced this week that its Onyx Sports Book by William Hill will open Friday, September 18, at 3:00 p.m. Onyx is located at Turtle Creek in Williamsburg on M-72, near Traverse City. The sportsbook features over 20 HDTV's, complimentary games, a full-service bar, and outdoor patio area.

Additionally, a grand opening celebration will be held on Wednesday, September 23 at 12:00 p.m. at Turtle Creek Casino. The celebration will include the opportunity to meet former Detroit Piston Rick Mahorn, draft beer specials, and the chance to win \$1,500 in prizes, including autographed sports memorabilia from Dennis Rodman, Nick Lidstrom, Jack Morris, Le'Veon Bell, and other Michigan athletes.

Leelanau Sands Casino will donate \$1,000 to the Leelanau Conservancy, a nonprofit dedicated to conserving the water and land in Leelanau County, at the grand opening celebration. For more information, please click here.

DETROIT CASINOS REPORT \$69.3 MILLION AGGREGATE REVENUE DURING AUGUST AT 15% CAPACITY

After having been closed for nearly five months, the Detroit casinos were permitted to reopen on August 5 at 15% capacity, along with other coronavirus restrictions. The three Detroit casinos – MGM Grand Detroit, MotorCity, and Greektown – reported \$69.3 million in aggregate revenue in August for a 42% decrease in revenue from August 2019. Aggregate revenue has declined 62% year to date against 2019 revenue.

MGM Grand Detroit saw a 46% decrease in year-over-year revenue in August, reporting \$28.6 million. MotorCity reported \$25 million, which was a decrease of 37.5% from August 2019. Greektown revenue decreased 41.5% from August 2019 to \$15.7 million.

The August market shares were:

- MGM Grand Detroit 41%
- MotorCity Casino 36%
- Greektown Casino 23%

The three Detroit casinos paid \$5.6 million in gaming taxes to the State of Michigan in August, compared with \$9.7 million in August 2019. During August, the three casinos reported \$8.3 million in wagering taxes and development agreement payments to the City of Detroit.

Adjusted gross receipts for retail sports betting revenue was reported at \$1.97 million for August. Adjusted gross receipts are gross sports betting receipts minus the monetary value of free play. MGM Grand Detroit reported \$932,601, MotorCity reported \$493,275, and Greektown reported \$551,176. The State of Michigan received \$74,733 in retail sports betting taxes during August, while the City of Detroit received \$91,340.

Year to date aggregate retail sports betting adjusted gross receipts through August 31 were:

- MGM Grand Detroit \$1,017,297
- MotorCity \$498,224

Fantasy contest operators reported adjusted July revenues of \$881,204 and paid taxes of \$74,021 to the State of Michigan. Year to date through July 31, fantasy contest operators reported \$4.9 million in adjusted revenues and paid \$414,445 in taxes to the State of Michigan.

AGA ACTIVATES ENFORCEMENT PROCESS FOR RESPONSIBLE MARKETING CODE FOR SPORTS WAGERING

The American Gaming Association (AGA) activated the enforcement process for its Responsible Marketing Code for Sports Wagering. The Responsible Marketing Code for Sports Wagering sets an industry standard for marketing and advertising of sports wagering by informing consumers about the nature of sports wagering services in order to ensure consumer protections are applied. These standards include: respecting the legal age for sports wagering; supporting responsible gaming; controlling digital media and websites; and monitoring code compliance.

The program will be overseen by a Code Compliance Review Board, consisting of two independent co-chairs and five AGA member representatives:

- Joe Bertolone Executive Director, UNLV International Center for Gaming Regulation (co-chair)
- Becky Harris Distinguished Fellow in Gaming,
 UNLV International Gaming Institute (co-chair)
- Laura McAllister Cox Vice President of Regulatory Compliance & Legal Counsel, Rush Street Gaming
- Stephen Marino Senior Vice President & Chief Compliance Officer, MGM Resorts International
- Sharon Otterman Chief Marketing Officer, William Hill
- Paul Pellizzari Vice President, Global Social Responsibility, Hard Rock
- Chris Soriano Vice President & Chief Compliance Officer, Penn National Gaming

The Responsible Marketing Code for Sports Wagering includes self-imposed restrictions on target audiences, outlets, and materials branding, while mandating responsible gaming inclusion. The code applies to traditional and digital media marketing activity for AGA members and nonmembers. Industry members and consumers can flag perceived non-compliance with the code at AmericanGaming.org.

"Responsible Gaming Education Week provides a perfect opportunity to launch this important initiative, holding everyone accountable to a standard set by responsible operators," said AGA President and CEO Bill Miller. "By adhering to this code, U.S. sports betting operators are putting consumers first, and I'm thankful to the distinguished industry representatives on the compliance review board who will help raise the bar for the marketing of sports betting activity in the United States."

OHIO LIKELY TO LEGALIZE SPORTS BETTING BY DECEMBER

This week, *PlayOhio* reported in an <u>article</u> that Ohio lawmakers are "confident" a sports betting bill will pass following the November election. Ohio Representative Dave Greenspan and Senator John Eklund told *PlayOhio* that substitute language for H 194 has been worked out.

"It's not going to get done before the election because we're not in session in October," Rep. Greenspan told *PlayOhio*. "I feel good about our prospects for passage this general assembly."

Legislators have disagreed on who should be the regulatory body for sports betting in Ohio. While Sen. Eklund, co-sponsor Sen. Sean O'Brien, and Senate leadership wanted the Casino Control Commission to be the regulator, Rep. Greenspan, co-sponsor Rep. Brigid Kelly, and the House relied on a Legislative Services Commission (LSC) opinion stating that the Lottery Commission was the only option.

The LSC issued a second opinion indicating that either the Casino Control Commission or the Lottery Commission could be the regulator. Rep. Greenspan reached a compromise among legislators that the Casino Control Commission will be the regulator, but revenue from sports betting will go toward education.

The substitute bill limits sports betting to the 11 casinos and racinos in the State, in addition to online sports betting. Veteran halls and fraternal organizations were originally permitted to have sports betting kiosks in H 194, but are now excluded in the substitute.

The substitute bill includes an 8% tax rate, an initial license fee of \$100,000, three skins allowed per casino or racino, no requirement of official league data, and an exclusion for wagering on high school sports.

Governor Mike DeWine has also been a proponent of the legislature passing sports betting in the State. The Governor has indicated that he would prefer that the legislature take action on sports betting rather than by a third party through a referendum. He also supports the Casino Control Commission as the chosen regulator.

H 194 has not yet been assigned to a committee in the Senate. Once it passes in the Senate, it will return to the House for concurrence.