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# The \_\_\_\_\_ MICHIGAN GAMING \_\_\_\_\_ Newsletter



## REPRESENTATIVE BRANDT IDEN RECOGNIZED AT CEREMONIAL SIGNING OF NEW SPORTS WAGERING AND IGAMING LAWS

On January 21, 2020, Rep. Brandt Iden's efforts to protect Michigan's consumers and introduce sports wagering and iGaming were formally recognized at a ceremonial signing by Governor Whitmer.

"I'm grateful for this opportunity to bring everyone together today and celebrate a great day for the state of Michigan," said Iden, of Oshtemo Township in Kalamazoo County.

Iden is the lead sponsor of the bipartisan gaming package, including laws dealing with fantasy sports, charitable gaming, horse racing, sports wagering, and casino gaming. The bills were signed into law on December 20, 2019, by Governor Whitmer, and provide for a competitive tax rate and regulatory framework for sports wagering, in addition to online casino-style gaming for those 21 and older.

"Consumers will have safe, regulated online sites and will no longer have to settle for traveling to other states or playing through risky, offshore operators," said Iden, Chair of the House Ways and Means Committee. "Our students and schools will have more revenue because of these reforms – without raising general taxes. These reforms have been more than three years in the making, and I know they will benefit our state for years to come."

Under the new laws, the Michigan Gaming Control Board (MGCB) will regulate online gaming with safety features and strict oversight, including age verification and protections against fraud. A portion of the gross revenue from iGaming and sports wagering will improve public services. A majority of the revenue will go to Michigan's public schools, while another portion will go to Michigan's Compulsive Gambling Prevention Fund to aid those in need of treatment and prevention programs.

“I want to thank the countless number of people who worked a countless number of hours making these reforms a reality,” Iden said. “Michigan is better off because of this work.”

## **DETROIT CASINOS PRODUCE RECORD \$1.454 BILLION REVENUE IN 2019**

In a [press release](#) on January 21, 2020, the MGCB revealed the 2019 yearly revenue figures, as well as the December 2019 and fourth quarter results, for the three Detroit commercial casinos. The three casinos reported record adjusted gross revenue of \$1.454 billion during 2019, surpassing the previous record set in 2018 by \$10 million. MGM Grand Detroit and MotorCity Casino both reported their highest yearly adjusted gross revenue totals since their opening in 1999.

MGM Grand Detroit reported \$623.5 million in annual revenue compared with its previous record of \$619.2 million set in 2018, with a 0.7 percent year-over-year increase. MotorCity reported \$493.6 million in annual revenue, also surpassing its previous record of \$489.7 million set in 2018. MotorCity saw a year-over-year increase of 0.8 percent.

Greektown Casino’s 2019 adjusted gross revenue of \$337.2 million fell short of its all-time record of \$352.8 million set in 2011, but Greektown saw a year-over-year increase of 0.6 percent.

The 2019 market shares were:

- MGM Grand Detroit – 43%
- MotorCity Casino – 34%
- Greektown Casino – 23%

In the fourth quarter of 2019, the casinos saw \$367.7 million in revenue, with \$127.8 million reported in December alone. The three casinos combined paid the State of Michigan \$117.8 million in gaming taxes in 2019, compared with \$117 million in 2018. In December, the casinos paid \$10.4 million in gaming taxes to the State, compared with \$10.3 million in December 2018. Throughout 2019, the casinos reported \$184.2

million in wagering taxes and development agreement payments to the City of Detroit, with \$16.2 million paid during the month of December.

## **MGCB CHAIRMAN ASKS FOR REPORT ON RESPONSIBLE GAMING FUNDING AND SPENDING**

At Tuesday’s Michigan Gaming Control Board meeting, Board Chairman Robert Anthony noted that the new legislation that has been enacted calls for \$2 Million of additional problem gambling funding. He noted that there is already money being spent, indirectly, by the state of Michigan, but noted that “it isn’t clear, exactly what the Board’s responsibility is with respect to making sure that that money is being spent effectively in programs that are really going to focus on problem gambling.”

The Chairman then indicated to Executive Director Rick Kalm that he would like some kind of report over the next two or three meetings, explaining how the money is currently being used, how they intend to use the additional dollars, and how the Board can measure the effectiveness of the money being spent. Mr. Kalm noted that he will try to capture all of the various sources of funds for problem gambling (Lottery, sports wagering bill, horse racing) and will request Health and Human Services (which receives the statutory funding) to provide information about how this money has been spent in the past and what the plans are for the future.

## **MICHAEL WATZA RECOGNIZED FOR HONORABLE SERVICE BY MGCB**

Former MGCB Board Member Michael Watza was recognized by the Michigan Gaming Control Board (MGCB) for his contributions to the MGCB and his accomplishments during his time with the Board and was commended for his distinguished and honorable service. Mr. Watza was presented with a Resolution and a plaque at the MGCB

meeting in Detroit on January 21, 2020.

“Michael J. Watza’s dedication, integrity, fairness, astute leadership, keen insight, and prudent judgment as a member of the Michigan Gaming Control Board are well recognized and respected by his colleagues, members of the Board, and by the people of our State,” the Resolution reads. “It is with deep appreciation for the outstanding service Michael J. Watza has put forth during his eight year tenure as a Board member of the Michigan Gaming Control Board from 2008-2016, that we offer this recognition and expression of our thanks.”

Mr. Watza was first appointed as Board Member by Governor Jennifer Granholm in January 2008, and was reappointed by Governor Rick Snyder for second and third terms, expiring in December 2016. Mr. Watza is an attorney and principal in the Kitch Drutchas Wagner Valitutti & Sherbrook firm in Detroit where he heads the governmental litigation and affairs practice.

## **GUN LAKE CASINO PREPARES MEALS FOR COMMUNITY SUPPORTING DÉGAGÉ MINISTRIES**

Gun Lake Casino partnered with Dégagé Ministries to serve hundreds of guests at an annual charitable event on January 16. Gun Lake Casino donated fresh food and \$2,500 to support the mission of Dégagé Ministries.

Dégagé Ministries’ mission is to assure men, women, and children of Grand Rapids receive basic life necessities, including meals, drinking water, clothing, hygiene products, hope, and respect. More information about Dégagé Ministries can be found [here](#).

Chefs from Gun Lake’s own Sandhill Café prepared breakfast and lunch for the event, while thirty-two volunteers served over 300 plates of food. Musicians from local band Brena provided live entertainment for the community.

“We are honored to continue our partnership with Dégagé Ministries,” said Sal Semola,

President and Chief Operating Officer of Gun Lake Casino. “Each year, our team members eagerly volunteer to participate in this occasion. There is nothing more gratifying than serving those who need it the most.”