

November 6, 2020

Volume 26, Issue 43

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



MGCB PUBLIC MEETING SCHEDULED FOR TUESDAY, NOVEMBER 10

The Michigan Gaming Control Board will hold a regular public meeting on Tuesday, November 10, 2020. The meeting will begin at 9:30 AM and will be accessible via Microsoft Teams.

November's meeting will consider recommendations for occupational license applications, supplier license renewal requests, suitability of key persons, casino license renewals for MGM Grand Detroit, MotorCity Casino, and Greektown Casino, and violations and decisions regarding occupational licensees. The full agenda for the November meeting may be found [here](#).

Additionally, Executive Director Rick Kalm is likely to update the full Board on the progress being made to launch online gambling and online sports betting.

The meeting is virtually open to the public, and comments from the public are welcomed and encouraged during the public comment portion of the meeting.

The meeting will be accessible to the public on Microsoft Teams at this [link](#).

THE INNOVATION GROUP DETAILS POST-ELECTION GAMING EXPANSION

Brian Wyman, Senior Vice President of Operations & Data Analytics at The Innovation Group (TIG), a gaming consulting firm, authored an article entitled "Gaming Expansion Efforts Win Across the U.S.", which was released Tuesday evening following the election. The article details the expanded gaming measures that were passed in various states across the country.

“Colorado: Passed Amendment 77, allowing voters in Black Hawk, Central City, and Cripple Creek to remove the \$100 bet limit and to authorize new types of casino games. With Colorado casino towns nearly an hour's drive from Denver, having a \$100 bet limit, and offering no Asian games, it makes nearly as much sense for high rollers in that area to hop on a quick flight to Las Vegas as it does to drive up the mountain, particularly in inclement weather. With the removal of bet limits and expansion of games, look for Black Hawk's resorts to lead the way in renovation and revitalization of their high limit space, with a particular emphasis on Baccarat. Not only will the small-portfolio casinos look to capture the higher end player from Denver, those with a national loyalty program and presence - Caesars and Penn National, in particular - will want to leverage the attractiveness of a mountain getaway as a benefit for their out-of-market VIPs.

Louisiana: Voters in most of Louisiana's parishes passed a (parish-by-parish) ballot measure authorizing sports betting. Nearly all Louisiana parishes, including those housing the state's casinos, approved sports betting on Tuesday's ballot. This has seemed inevitable for some time, with Mississippi, Arkansas, and Tennessee having live sports betting, but the effort now returns to the legislature to develop a distribution strategy, regulations, and taxation. Expect this to be a slow process. Regardless, this should be a boon to operators in the sports-heavy state, where casinos have faced headwinds recently due to everything from smoking bans and gaming expansion in neighboring states to an outsized impact from COVID-19 and a seemingly never-ending string of disastrous hurricanes.

Maryland: Voted "yes" on Ballot Question 2, legalizing sports betting at racetracks, casinos, and RFK stadium. Surrounded by states (and a district) with sports betting, it was only a matter of time before Maryland, too, joined the club. Interestingly, Maryland racetracks throughout the state are located very near casinos, so a sports bettor may not have a geographic reason to choose the local racetrack or the local casino. Watch for an arms race to develop between casino and racetrack sports betting experiences in

an effort to gain market share.

Nebraska: Voted "Yes" on Initiatives 429, 430, and 431, allowing gambling at racetracks in six cities. Racetracks in South Sioux City, Lincoln, Omaha, Columbus, Hastings, and Grand Island will be permitted to conduct casino-style gaming at their facilities. This is a blow to the Caesars and Penn National casinos in Council Bluffs, Iowa, just a stone's throw across the Missouri river from Omaha. Look for the Iowa side of the river to respond swiftly with renovations and aggressive marketing, and by leveraging sports betting, which is for now still a no-go in Nebraska. In tribal news, the Winnebago Tribe's economic development arm is the owner and operator of Atokad Park in South Sioux City, one of the tracks that will be allowed to offer gaming.

South Dakota: Passed Constitutional Amendment B, authorizing sports betting in the city of Deadwood. Deadwood, besides being a damn good HBO show, is a small former Gold Rush town in western South Dakota, famously turned into a gambling town in the late 1980s before regional gaming proliferated across the U.S. Sports betting will be legal in the town now, but more significantly this should open sports betting up to the many tribal casinos across the state.

Virginia: Voters in Danville, Bristol, Norfolk, and Portsmouth approved Casinos in ballot measures. In 2019, Virginia passed legislation to authorize five casinos in southern Virginia, in the cities named above as well as Richmond, pending local voter approval. Retail and mobile sports betting were also authorized. Casinos in these locations, per [analysis conducted by The Innovation Group](#), would bring approximately \$1B in gaming revenue and \$260M in gaming tax to the commonwealth. Partnerships with major casino operators already have been announced, and development is likely to begin soon. With the state's wealth concentrated in the D.C. suburbs, keep an eye on the performance and public perception of these downstate casinos as they may drive a future decision about a northern Virginia casino and an attempt to repatriate the substantial casino spend from that area currently

flowing into Maryland.”

Click [here](#) to read Mr. Wyman’s original article in full on LinkedIn.

WINDSOR MEMBER OF PARLIAMENT CONFIDENT IN SPORTS BETTING BILL

According to an [article](#) by Dave Battagello of the Windsor Star, Member of Parliament (MP) Brian Masse expressed confidence that his efforts of legalizing single-sports betting in Canada are paying off.

The first reading of a bill to authorize single-event sports betting was read on Tuesday, November 3. After some debate, MP Masse indicated a sense of full-party support from the Conservative Party and the Bloc Quebecois, as well as from his own party, the New Democratic Party. The support of these three parties could provide enough support to pass the legislation in Parliament.

Despite the increasing support, MP Masse indicated that there appears to be little support from the Liberal Party or Prime Minister Justin Trudeau. The second reading of the bill will be scheduled for late January or early February.

All major sports leagues are now in support of legalizing single-event sports betting in Canada. Nineteen states in the United States have legalized sports betting, including Michigan. Caesars Windsor has been outspoken about legalizing sports betting at its facility in hopes of competing with the Detroit market.

“The approval of single-event sports wagering would be an invaluable tool for the Canadian gaming industry,” said Kevin Laforet, President of Caesars Windsor, in a statement. “It will allow us to match the offerings of our U.S. competitors and will support employment, tourism and include returns to various levels of government.”

NEOPOLLARD CONGRATULATES MICHIGAN LOTTERY AS LOTTERY OPERATOR OF THE YEAR

In a press release, NeoPollard Interactive congratulated the Michigan Lottery for its recognition as the Lottery Operator of the Year at the 2020 eGaming Review North America Awards.

The press release noted that the Michigan Lottery is leading the market as North America’s first \$1 billion iLottery operator, with FY2020 culminating in over \$1.9 billion in topline sales and more than \$228 million in net gaming revenue. This represents 80% year-over-year growth in net gaming revenue, outpacing the next top grossing iLottery operation in the United States by more than 150%. The Michigan Lottery has experienced strong growth in recent years, including a 150% retail increase since 2013.

The Michigan Lottery was the first lottery in the United States to deploy an omnichannel payment solution, allowing players to fund eWallets at retail as a cash-based transaction, and was the first to launch PayPal for the iLottery channel. Recently the Michigan Lottery introduced a “retail cashout” feature, allowing players to expedite their withdrawals by cashing out online via a mobile voucher that is redeemable at Lottery retailers.

“We are thankful for our partnership with the proven leaders and relentless innovators at the Michigan Lottery,” said Liz Siver, General Manager of NeoPollard Interactive. “The entire team demonstrates their passion for the business every day and are an inspiring team of collaborators. From our team at NPi, congratulations to this year’s Lottery Operator of the Year – the Michigan Lottery!”