

January 31, 2020

Volume 26, Issue 5

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



26 MILLION AMERICANS WILL WAGER ON SUPER BOWL LIV

Data from the American Gaming Association (AGA) shows that 26 million American adults – 3 million more than last year – say that they will wager on the Super Bowl game this weekend. It is estimated that approximately \$6.8 billion will be wagered on the game.

The survey was conducted by Morning Consult on a national sample of 2,200 adults in January 2020. Key findings from the survey include:

- More than one-in-ten American adults plan to bet on Super Bowl LIV
- 4 million of the 26 million who plan to wager, will place a bet at a brick-and-mortar sports book, a 25 percent increase from 2019
- 5 million will place a bet online or through a mobile device, a 19 percent increase from 2019
- The remainder of Americans planning to wager will place a bet with a bookie, in a pool or squares contest, or with family and friends
- 52 percent say that they will bet on the Kansas City Chiefs and 48 percent say that they will bet on the San Francisco 49ers

“With 14 operational markets and another seven close behind, Americans have never before had so many opportunities to wager on the Super Bowl in a safe and legal manner, and clearly, they are getting in on the action,” said Bill Miller, President and CEO of AGA. “With increased visitation to legal sportsbooks, we are successfully drawing bettors away from the predatory illegal market.”

In 2019, viewership for NFL games rose five percent – up five points from 2018. The NFL will earn approximately \$2.3 billion annually due to fan engagement from sports betting. Additionally, previous AGA research found that 75 percent of NFL bettors say that they are more likely to watch a game that they have bet on, and sports bettors as a whole are more interested in the NFL than any other professional sports league.

Mr. Miller continued, “I have absolute confidence that Americans didn’t start betting on sports when the Professional and Amateur Sports Protection Act was overturned. What makes this year’s Super Bowl remarkable is that more fans than ever before will have the reassurance that the integrity of their bets on the big game will be preserved. The continued expansion of legal sports betting – to the detriment of the illegal market – truly benefits all stakeholders, from enhanced fan engagement for teams to added tax revenue for state and local economies.”

The Supreme Court of the United States overturned the Professional and Amateur Sports Protection Act with its decision in *Murphy v. National Collegiate Athletic Association* in May 2018, effectively giving states the opportunity to legalize sports wagering on their own terms.

MAPG ANNOUNCES DISORDERED GAMBLING TREATMENT GRANT PROGRAM

The Michigan Association on Problem Gambling (MAPG) announced this week that it was able to provide its first Michigan citizen with treatment funding for disordered gambling. Through its new disordered gambling treatment grant program, Michigan citizens and their families can get help for disordered gambling.

According to a news release from the MAPG: “The Michigan Compulsive Gambling Prevention Fund was created in 1997 and set aside approximately \$3 million annually [from all sources] to address disordered gambling and addiction within the State. In 2020, this amount will increase by \$1 million due to the recent passage of gambling-related legislation. The Michigan Department of Health and Human Services (MDHHS) manages gambling disorder services, including a toll-free problem gambling helpline, prevention, and referral services for both in-person and telephone counseling for those experiencing disordered gambling. MAPG has not yet received any funding from MDHHS, but is dedicated to its mission of bringing services

to Michigan citizens.

Dr. David Ledgerwood, of Wayne State University, was retained by MDHHS in 2004 to perform a research study to assess the need for an in-patient residential treatment program for disordered gamblers in Michigan. Dr. Ledgerwood’s findings showed that an in-patient treatment program is important and necessary for the State.

MAPG is seeking additional support to continue its treatment services through an industry-funded grant program to provide free services to Michigan citizens. The Treatment Grant Program provides paid access to some of the country’s most prominent gambling disorder treatment facilities.

Grant Program Details:

- Grants are funded directly by MAPG donations and annual membership dues
- 100% of treatment costs, up to \$5,000, are paid for by MAPG for a 30-day treatment program
- 100% of the program is confidential
- 30-day treatment stay at the gambling disorder treatment facility in Louisiana. Visit the online virtual tour at: www.helpforgambling.org
- Post-treatment: outpatient counseling referral to Michigan’s network of problem gambling clinicians
- Post-treatment attendance at Gambler’s Anonymous meetings

Grant Program Eligibility:

- Client must attempt outpatient counseling even if the counselor determines the client needs a higher level of care
- Client must be assessed by a certified gambling counselor and meet admission criteria requirements from staff at approved treatment facility
- Comprehensive screening with CORE staff and meeting admission criteria for the program at CORE in Louisiana

For more information, please contact MAPG at info@michapg.com.”

TRIAL BEGINS FOR ALLEGED ILLEGAL CASINO OPERATION IN MICHIGAN

According to an [article](#) in the Macomb Daily this week, the trial of David Hoppe, operator of Café 777 began on January 29th. At the center of the trial is the operation's use of gaming machines that included a "preview" button that allows the players to know the result of the game before playing the game.

The defense attorney in the case has argued that the machines involved received a non-gambling certification from a gaming laboratory, Nick Farley & Associates, and thus are not machines that are chance-based.

The state's view of the matter is that the use of the preview feature is an attempt at a "work around" of the state law according to the article in the Macomb Daily. Even though players can preview the particular game outcome, in order to get to the next spin, players need to play the game. Mr. Hoppe has been charged with operating a gambling operation illegally, maintaining a gambling house, and using a computer to commit a crime.

THE GRAND TRAVERSE BAND ANNOUNCES \$854,574.38 IN LOCAL DISTRIBUTIONS

Yesterday, the Grand Traverse Band of Ottawa & Chippewa Indians announced the distribution of \$854,574.38 of gaming revenue allocation to local units of government. The dollars have been allocated for 60 local applicants as part of the Tribe's "2 percent allocation," which takes place twice per year.

Under the terms of a consent decree, the Grand Traverse Band allocates 2 percent of its video gaming revenue to local units of government, as defined in the stipulation, no later than 60 days after October 1st and March 31st of each year. This payment schedule was modified with the

consent of the State of Michigan to July 31st and January 31st of each year because the fiscal year of the Grand Traverse Band's gaming operation is calendar-based.

Since the 2 percent allocation began in 1994, the Grand Traverse Band has allocated \$41,049,342.47 to local organizations.

For this 2% cycle, the Tribal Council voted to determine which organizations would receive allocations. Of the 78 applications received, totaling \$1,653,865.87 in requests, the Tribal Council awarded 60 applicants for a total of \$854,574.38. UpNorthLive has a complete list [here](#) of the local organizations receiving contributions available.