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For more information on Michigan's gaming industry, please visit www.michigangaming.com

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The _____ MICHIGAN GAMING _____ Newsletter



Canada Authorizes Single Game Sports Betting

On June 22, the Senate of Canada approved Bill C-218, introduced by Conservative Kevin Waugh, that amends the Criminal Code provisions governing gambling to authorize betting on single sports games. Because betting on single sports games besides horse racing was previously illegal in Canada, the bill is intended to draw customers away from foreign gambling facilities and raise revenue nationally. Upon royal assent, the bill will become law.

Bill C-218 marks the third attempt to authorize single-game sports betting in Canada. Nearly a decade ago, the House of Commons passed similar enabling legislation with support from all parties, but the bill died in the Senate. A second attempt by New Democrat Brian Masse failed after a Liberal and Conservative coalition voted against the bill. Bill C-218 marks the most successful attempt to reform Canada's sports betting provisions, and legislators have demonstrated more support than ever before to push the initiative further along the legislative process.

The bill has garnered support from the Canadian Football League, the National Hockey League, and other professional groups. By including protections for the horse racing industry in the bill, the Conservative party also gained support from Liberal legislators and the equestrian community.

Ultimately, with the Canadian online gaming market estimated to generate between US\$4.3 billion and US\$5.4 billion annually, the legislature is eager to implement new regulations and licensing rules by the end of the year. According to Ontario Attorney General Doug Downey who was quoted in an [article](#) by the Canadian Press and TSN, the legislature plans "to land the framework by this fall."

No Appeal of the Wire Act Decision by the Department of Justice

Earlier this week, the deadline expired for the U.S. Department of Justice (“DOJ”) to appeal the First Circuit Court of Appeals’ decision released earlier this year which affirmed a declaratory ruling entered by a lower court declaring that the federal Wire Act is only applicable to wagering on “any sporting event or contest” and that it does not have broader implications to other forms of online wagering. Detailed information on the First Circuit decision is summarized in [Vol. 27, Issue 3](#) of the *Michigan Gaming Newsletter*.

Big picture, the case arose as a result of the DOJ’s issuance of an Opinion in 2018 entitled “Reconsidering Whether the Wire Act Applies to Non-Sports Gambling” in which the DOJ took a modified position from a prior, 2011 Opinion, and stated that the Wire Act was “not uniformly limited to gambling on sporting events or contests.” This triggered concern on the part of the online gaming industry and many state lotteries who conduct online lotteries across state lines.

The lack of an appeal by the DOJ allows the First Circuit decision to stand as the key federal precedent. Additionally, many are hoping that the DOJ under the Biden Administration will rescind the 2018 Opinion to provide the maximum amount of clarity on the issues involved.

Michigan Operators Report \$114.31 Million in May Gross Internet Gaming and Sports Betting Receipts

According to a [press release](#), Michigan internet gaming operators reported \$94.85 million in internet gaming gross receipts for May. Internet sports betting operators received \$19.46 million in total gross sport betting receipts and reported a total handle of \$237.6 million for the month.

“Adjusted gross receipts for internet casino gaming were up two-tenths of a percent compared with April, which means state, city and tribal governments received more revenue,” said Henry Williams, Michigan Gaming Control Board executive director. “The event-driven sports betting handle dropped 4.9 percent compared with April. While Michigan does allow wagering on horse racing’s largest events through its regulated track and advance deposit wagering, it does not permit wagering on horse racing through the online sportsbooks.”

Taxes and payments are based on adjusted gross receipts, which were \$89.06 million for internet gaming and \$9.88 million for internet sports betting during May. The operators paid approximately \$18.7 million in taxes and payments to the State of Michigan for May, with Internet gaming contributing \$18.1 million and internet sports betting contributing \$615,153.

For internet gaming, the state receives 70% of the total tax from the commercial operators and 80% of the total payment from tribal operators. The tax and payment rate ranges from 20% to 28% based on yearly adjusted gross receipts.

For internet sports betting, commercial operators pay 70% of the 8.4% tax to the state and 30% to the city of Detroit. Tribal operators make an 8.4% payment on adjusted gross receipts to the State of Michigan.

The three Detroit Casinos – MotorCity Casino, MGM Grand Detroit, and Greektown Casino - reported city wagering taxes and municipal service fees of \$5.58 million to the City of Detroit during May for:

- Internet gaming taxes and fees: \$5.2 million
- Internet sports betting taxes and fees: \$378,632

Tribal operators reported making total payments of \$1.9 million of wagering payment to the tribes’ governing bodies according to the MGCB.

From the Jan. 22 launch through May 31, aggregate internet gaming adjusted gross receipts totaled \$369.4 million and aggregate internet sports betting adjusted gross sports betting receipts were \$23.7 million.

During May, 13 operators were authorized for one or both forms of online wagering. Details for each operator's internet gaming and internet sports betting results are available in [tables](#) published on the MGCBC website.

AGEM Calls for Nominations for Sixth Annual Memorial Awards Honoring Halle and Mead

The Association of Gaming Equipment Manufacturers (AGEM) on June 22 issued a Call for Nominations for the Jens Halle Memorial Award Honoring Excellence in Commercial Gaming Professionalism and the Peter Mead Memorial Award Honoring Excellence in Gaming Media & Communications.

AGEM previously announced the creation of this unique awards program six years ago to acknowledge the lasting impacts on gaming by two distinctive industry veterans following their unexpected deaths in 2015.

Nomination submissions of 300-700 original words identifying current gaming professionals must be received via email at Marcus.Prater@AGEM.org by Aug. 31, 2021, and must meet the following criteria that aim to capture the unique attributes displayed by Halle and Mead during their storied careers:

Jens Halle Memorial Award Honoring Excellence in Commercial Gaming Professionalism

"Nominees must have experience working in the global gaming supplier sector for a minimum of 10 years and possess the following traits and qualities that Jens displayed throughout his working life:

Professionalism, business success, international scope, attention to detail and timely follow-up; a willingness to 'go the extra mile,' both figuratively and literally; a sense of humanity in an oft-times cutthroat business; a recognition of the importance of a handshake and a fair deal for all; and a dedication to the health of the industry as a whole."

Peter Mead Memorial Award Honoring Excellence in Gaming Media & Communications

"Nominees must have experience working in the mainstream media, gaming trade press or individual gaming company PR/communications for a minimum of 10 years and possess the following traits and qualities that Peter displayed throughout his working life: Quality reporting and communication with an emphasis on personal contact to generate ideas and gather information; taking risks and questioning the status quo; challenging the industry to consider new ideas; and identifying trusted partners to improve the overall product."

Award winners will be announced at G2E in Las Vegas in October.

NCLGS Summer meeting 2021, in Chicago, IL July 11-13

More than 40 legislators from at least 17 states will be among the 200-plus attendees when the National Council of Legislators from Gaming

States (NCLGS) holds its [Summer Meeting](#), July 11-13 at the InterContinental Magnificent Mile. This will be the first national in-person gaming conference to take place in more than a year.

Public registration at early-bird rates, the conference agenda, and reservations at the host hotel are available [here](#). NCLGS has also provided

a list of nearby first-class hotels to accommodate the anticipated overflow for overnight guests. Registration is open and you can register [here](#).

This year NCLGS welcomes two organizations that are co-locating their meetings with the Summer Meeting: the GLI University Mid-Year Gaming Regulators Seminar 2021, which takes place July 11, and the Association of Racing Commission International (ARCI) Model Rules and Board Meetings, July 12 -13.

The NCLGS Summer Meeting has been approved for 8.5 credits by the Nevada Board of Continuing Legal Education, underscoring its prominence as a vital gaming forum.

Both NCLGS and the host InterContinental will fully adhere to CDC, state and local guidelines that govern public events.

For conference sponsorship information, contact events@nclgs.org. Legislators and others seeking NCLGS membership information should contact Josh Faber at jfaber@nclgs.org.