

June 11, 2021

Volume 27, Issue 19

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

Production Coordinator

Christina Morris
cmorris@rmclegal.com

*News Reporter & Digital Content
Editor*

Jack B Chaben
jchaben@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

The _____ MICHIGAN GAMING _____ Newsletter



MGCB Authorizes New Exemptions for Non-Gaming Businesses and Approves Online Operator Licenses

At its June 8 meeting, the Michigan Gaming Control Board passed Resolution No. 2021-03 to reduce the licensing and reporting requirements for certain small, non-gaming businesses and online gaming vendors. The resulting changes are reflected in [an updated interpretation](#) of Rule 432.1322(4) of the Michigan Gaming Control and Revenue Act.

Pursuant to the MGCB's power to "exempt any person or field of commerce from the supplier-licensing requirements of its administrative rules," the resolution automatically exempts businesses providing no more than \$100,000 worth of nongaming-related goods or services to any casino licensee within a 12-month period. In a [press release](#) announcing the resolution, the MGCB noted that this automatic exemption is a \$50,000 increase from previous exemption provisions.

The resolution also provides for automatic exemption of any vendor registered under either the Lawful Internet Gaming Act or the Lawful Sports Betting Act on the basis that the licensing of these entities is not considered essential to protect the public interest. Each exemption is contingent upon a vendor providing less than \$400,000 of nongaming-related goods and services to any casino licensee.

Additionally, the MGCB extended the term of each exemption from one year to five years. Any current exemption, however, will remain effective until the expiration of its one-year term. If renewed, each exemption will assume a five-year term.

These updates to licensing and reporting requirements, according to MGCB Executive Director Henry Williams, will “allow more small businesses to supply things like food and beverages, snow removal or laundry services to the Detroit casinos without disclosing information to the MGCB.” And the exemptions will improve operating efficiency of online gaming vendors by enabling them to “skip the added paperwork.”

At its meeting, the MGCB also approved the pending online gaming operator license applications of ten operators. In addition to the three Detroit casinos, the licensed operators include seven tribal gaming entities: Bay Mills Gaming Authority, Gun Lake Tribal Gaming Authority, Hannahville Indian Community, Keweenaw Bay Indian Community, Little River Casino Resort Enterprise of Little River Band of Ottawa Indians, Little Traverse Bay Bands of Odawa Indians, and Pokagon Gaming Authority.

American Gaming Association and DraftKings Partner to Expand Public Service Campaign to Sports Betting Industry

In a [recent press](#) release, the American Gaming Association (AGA) announced a partnership with DraftKings to promote the AGA’s “Have A Game Plan. Bet Responsibly” public service campaign. DraftKings plans to implement the campaign into all ten of its retail sportsbooks throughout the United States.

The AGA developed the Have a Game Plan campaign as an educational resource to instruct consumers on responsible sports betting practices and to increase problem gambling awareness. As part of its efforts, DraftKings will install physical and electronic signage at its retail properties to better inform patrons about the signs of problem gambling while instructing patrons on safe and responsible gaming practices.

Christine Thurmond, DraftKings’ Director of Responsible Gaming, is “confident that implementing Have A Game Plan alongside [DraftKings’] responsible gaming messaging and tools will enable us to increase customer exposure to responsible gaming practices and ultimately foster safer play.”

DraftKings will also expand its efforts to its existing range of digital marketing and social media accounts. In addition to promoting responsible gambling behavior through its social channels, DraftKings will use its own existing responsible gaming framework, “It’s More Fun When It’s For Fun,” to support player protection practices.

This flagship collaboration marks the first comprehensive expansion of the AGA’s campaign throughout the national retail sportsbook industry. And through its involvement, DraftKings can further its responsible gaming mission to “mitigate harm and protect vulnerable populations using groundbreaking technology, providing training and resources for employees and customers, and by supporting evidence-based research.”

The expansion of sports betting throughout the United States has increased the importance of responsible, safe gambling practices. By “bringing the Have A Game Plan campaign to DraftKings’ extensive network of sportsbooks and customers,” the AGA is confident it can more successfully “keep bettors safe and educated about responsible gaming.”

While Operating at Limited Capacity Detroit Casinos Report \$ 109.69 Million in May Monthly Revenue

According to a [press release](#), the three Detroit casinos reported \$109.69 million in monthly aggregate revenue in May while continuing to operate at limited capacity due to COVID-19 health concerns. Table games and slots generated

\$107.94 million in revenue, and retail sports betting produced revenue of \$1.75 million.

The three Detroit casinos reported \$125.8 million in aggregate revenue from slots and table game during May 2019 while operating at full capacity. All three casinos were closed during May 2020.

The May market shares were:

- MGM, 42 percent
- MotorCity, 36 percent
- Greektown, 22 percent

During May 2021, table games and slot revenue was up a fractional 0.5 percent when compared to April 2021.

The three Detroit casinos paid \$8.7 million in gaming taxes to the State of Michigan. The casinos also reported submitting \$12.8 million in wagering taxes and development agreement payments to the City of Detroit in May.

The Detroit casinos reported retail sports betting total handle of \$20,196,877 during May. Total gross receipts were \$1,769,271. In qualified adjusted gross receipts, MotorCity led the way with \$709,796, followed by Greektown with \$636,547 and MGM with \$402,223. Qualified adjusted gross receipts are gross sports betting receipts minus the monetary value of free play incentives provided to and wagered by bettors. The casinos paid \$66,096 in retail sports betting tax to the state and reported submitting \$80,784 in retail sports betting taxes to the City of Detroit.

For April, fantasy contest operators reported total adjusted revenues of \$1,484,842 and paid \$124,727 in taxes. Through April 30, fantasy contest operators reported total aggregate adjusted revenues of \$5.7 million and paid \$480,199 in taxes.

American Gaming Association Commercial Gaming Revenue Tracker Reveals Near-Record Revenue in April 2021

The American Gaming Association's "Commercial Gaming Revenue Tracker" report provides monthly, quarterly, and year-to-date gross gaming revenue at both a state and national level. The Q1 2021 report revealed that April 2021 generated commercial gaming's second highest level of revenue of all time, with combined revenue from traditional casino gaming, sports betting, and iGaming reaching \$4.44 billion nationally.

April revenue closely tracked the current record revenue generated in March 2021, down by one percent from the \$4.8 billion generated that month. Traditional gaming revenue (slots and table games) contributed \$3.79 billion to the April total, with iGaming generating \$299.9 million and sports betting generating \$283.4 million. These strong results are corroborated by the fact that only three of the twenty-five states that authorized casino gaming as of April 2019 witnessed year-over-year decreases in revenue.

The AGA report attributed all-time high slot machine revenue and nearly pre-pandemic table game revenue levels to the reduction of operating restrictions in casinos, with eight of the twenty-five traditional casino states permitting casinos to operate at full capacity.

Further illustrating the successful quarter, the report revealed that, in the states that track casino admissions, traditional casino revenue per visitor increased between 23% and 49% when compared to April 2019 revenue.

Sports betting and iGaming played a significant role in boosting April 2021 revenue above pre-pandemic levels. With more than double the number of commercial sports betting jurisdictions, by the end of the 2021 March Madness tournament, commercial sports book revenue surpassed April 2020 levels by nearly

440%. While iGaming witnessed its first month-to-month decline since November 2020, combined revenue from both iGaming and sports betting accounted for more than 13.1% of U.S. commercial gaming revenue in April 2021.

The AGA's report, including data and illustrations, can be found [here](#).

Four Winds Casino Hosting Job Fair and Dealer Training

Four Winds Casinos announced that they are hiring for multiple Table Game positions in all three casino locations in Michigan and in the South Bend casino. They will offer dealer training school beginning Tuesday, June 15th and Saturday, June 19th, with classes held two days a week on Tuesdays and Wednesdays or Saturdays and Sundays. Prior registration is required. Four Winds will also hold job fairs in Portage, Indiana on Tuesday June 22nd and in Michigan City, Indiana on Wednesday, June 23rd. More information can be found at [here](#).

Gun Lake Casino to Host Job Fairs

Gun Lake Casino will be hosting multiple job fairs in the upcoming weeks as it gears up for the grand opening of its \$100 million expansion later this summer. It will host job fairs on Tuesday June 15th at the Grand Rapids Downtown Market from 3:00-8:00 p.m., on Wednesday June 16th at Harvest Buffet on property from 10:00 a.m.-2:00 p.m. and on Monday June 28th at Harvest Buffet on property from 4:00-9:00 p.m.

"Gun Lake Casino is excited to introduce a variety of career opportunities to West Michigan job seekers. We pride ourselves on setting industry standards for starting wages, comprehensive benefits, educational opportunities and more," stated Jose Flores, vice president and general manager for Gun Lake Casino. "There is no better time to begin a career in the entertainment

industry. As the casino continues to expand, so do the opportunities for our team."

For more information, please see [here](#).