

October 13, 2017

Volume 23, Issue 32

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

Reporter and Associate Editor

J.J. Burchman
Phone: 517.999.5414
burchman@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



Michigan Senate Considers Fantasy Sports Bill

The Senate Regulatory Reform Committee held a hearing October 11, 2017 regarding [SB 461](#) (amending the penal code to allow fantasy sports betting) and [SB 462](#) (setting forth the conditions and regulation of fantasy sports betting in Michigan).

Senator Curtis Hertel testified in support of both bills. He began by explaining that fantasy sports involved using real-life knowledge to predict certain sporting events. He noted that fantasy baseball started nearly 40 years ago and that currently 1.6MM people in the State of Michigan play some sort of fantasy sports games. He conceded that the current legal status of playing such games is a "gray area" and that players may be breaking the law by participating, hence the current legislation to amend the penal code and to provide protections for current players. He characterized the protections as a new "consumer protection act" for fantasy sports players. He noted that the legislation has provisions to allow players to self-report similar to problem gambling programs utilized by the Detroit casinos and the Michigan lottery. Senators Hune and Macgregor raised questions about the current legality of fantasy platers and coordination with Michigan's Indian Tribes.

Scott Ward, representing FanDuel and Draftkings, testified in support of the bill. He noted that people have played fantasy sports for over 40 years and roughly 53MM people across the United States currently play. He testified that 16 states have enacted legislation approving fantasy sports and argued that fantasy sports are skill-based, not chance-based.

Representatives of the Detroit casinos testified or submitted cards indicating that they were in favor of the concept of legislation governing fantasy sports but were against the current version of the legislation.

Dave Murley, Deputy Director of the MGCB, also testified. He offered three thoughts: (1) the MGCB should be the regulator, noting that it has extensive experience with protections for players and in dealing with multi-level corporate entities; (2) the Michigan Constitutional provision requires a statewide referendum on expansion of gambling and indicated that there should be some discussion whether fantasy sports would fall under its provisions; and (3) the current legislation is a “minimalist approach”. He queried whether Michigan should be getting revenue from the operators and whether they should be required to contribute to problem gambling funding as the Detroit casinos, horse tracks and lottery currently do.

Sen. Hertel reiterated that he was open to language suggestions and again welcomed any suggestions, hopefully within 1 week. No vote was taken on the bills and no amendments were considered.

Michigan Online Gaming Bills Accelerating?

Representative Brandt Iden (R-Oshtemo Township) recently introduced legislation seeking to regulate iGaming in Michigan, [HB4926](#). While the bill was only introduced on September 12, 2017, Rep. Iden expressed his desire that it be passed before Thanksgiving. In an interview given to [Online Poker Report](#), Rep. Iden stated: “Throughout the month of October, I’m hoping to gain a lot of headway. If I had my way, we’ll be able to get everyone to the table and put a bill together and through the House before the Thanksgiving holiday. We’ll see how achievable it is, but that’s my goal.”

If Rep. Iden follows through on his goal, it would appear the bills may be moving faster than indicated during the House Regulatory Reform Committee hearing considering the bill on September 13, 2017. Throughout the hearing, Rep. Iden indicated that the process would be “slow” as he wanted to make sure they got the legislation right. It appears as though he is wanting things to move faster now, though, stating in the interview: “I’m telling them, ‘I have the desire to work with you to make this legislation right, but if you don’t come forward we’re going to proceed anyway.’ I think the message is starting to resonate. I’m not naïve. I do understand there are some hoops we’ll have to jump through so everyone believes it is equitable.”

HB 4926 is similar to the package of bills ([SB 203](#) and [SB 204](#)) introduced by Senator Kowell in March earlier this year. While those bills were reported favorably out of committee on March 9, they have yet to be taken up by the Senate. The stumbling block for both sets of bills remains getting consensus from the twelve tribes that operate gaming facilities in Michigan as well as the three Detroit casinos with respect to acceptable language.

Pokagon Tribal Chairman and Gaming Authority CEO John Warren Receives an NAFOA Lifetime Achievement Award

Over the past 10 years, the NAFOA Board of Directors has selected and recognized strong Native American leaders who have brought about positive economic change for both their communities and Indian Country throughout the course of their careers.

NAFOA’s 10th Annual Lifetime Achievement Awards ceremony was held on Tuesday, Oct. 3, 2017, at River Spirit Casino Resort in Tulsa, Oklahoma.

NAFOA recognized John Warren with the NAFOA Lifetime Achievement Award for his commitment to his tribe's sovereignty, governance, and economic growth. Born and raised in South Bend, Indiana, Warren has served the Pokagon Band of Potawatomi Indians in some capacity for most of his adult life. While on the Tribal Council prior to federal recognition in the 1980s, he served as vice-chairman and worked with Notre Dame Law School to create the first draft application that led to the reaffirmation of the Pokagon Band of Potawatomi's sovereignty in 1994.

As treasurer, he directed the implementation of quarterly financial reviews, key performance indicators, and financial policies and procedures for the developing tribal government. In 2014 the governor of Indiana, Mike Pence, appointed Warren to chair the state's Native American Indian Affairs Commission. Culturally, Warren has traveled the United States and Canada educating others about the Pokagon Band of Potawatomi culture. He was a cultural coordinator with the tribe's Education Department and is a traditional dancer, singer, and drummer with the Ribbon Town Singers. He holds an Associate of Applied Science in business administration from Ivy Tech Community College and is a veteran of the U.S. Army and Indiana National Guard. He and his wife of more than 40 years call Granger, Indiana home, and have three children and ten grandchildren.

Warren is currently serving as the Tribal Council Chairman and CEO of the Pokagon Gaming Authority Board, overseeing Four Winds Casino Resort with locations in Hartford, Dowagiac, New Buffalo in Michigan and an additional location in South Bend, Indiana.

NAFOA commends John P. Warren for his years of dedication and commitment to advocating on behalf of his community and Indian Country by honoring him with a NAFOA Lifetime Achievement Award. He is recognized for having paved the way for a brighter economic future for Native American people.

The Native American Finance Officers Association is a national non-profit organization whose mission is to strengthen tribal

economies by: promoting excellence in financial management, advocating sound economic and fiscal policy, developing innovative education initiatives, and providing essential information, resources, and support to meet the challenges of economic growth and change. NAFOA will be holding its 36th Annual Conference in New Orleans, LA on April 23- 24, 2018.

For more information about the organization, visit www.nafoa.org.

Supreme Court Scheduled to Hear Sports-Betting Arguments in December

The U.S. Supreme Court will hear oral arguments in a case that could impact the legalization of sports betting across the country on Dec. 4, according to a calendar published by the court.

The Supreme Court decided to hear the case, *Christie v. NCAA*, in June. "Christie" refers to New Jersey Gov. Chris Christie, and the case is an attempt by that state to overturn a lower court's ruling that blocked an attempt to legalize sports betting in the Garden State.

The case involves the Professional and Amateur Sports Protection Act (PASPA), passed in 1992, which prohibits sports betting nationwide except for four states: Nevada, Montana, Delaware and New Jersey. However, the law mandated that sports betting be offered within a year of the law's passage, something New Jersey failed to do. The state has since changed its mind.

The case has caught the attention of numerous parties across the country and the world, including the American Gaming Association (AGA). The legalization of sports betting has been a major legislative initiative of the lobbying group.

The Supreme Court does not provide a specific time or date for when it will release opinions on cases it hears. However, all cases argued during the Court's term are decided before the summer recess begins, usually by the end of June.

Detroit's JACK Entertainment Among the Winners Announced for 17th Annual GGB Gaming & Technology Awards

Global Gaming Business magazine has announced the winners of the **17th Annual GGB Gaming & Technology Awards**. The 2018 GGB Gaming & Technology Awards are the industry's standard in this field, recognizing excellence in innovation and practical application in all gaming disciplines.

"The nominations for the GGB Gaming & Technology Awards exceeded our expectations this year," said Roger Gros, publisher of *Global Gaming Business* magazine. "The amazing products submitted for the judges' review were all at the cutting-edge of technology that serves all facets of the gaming industry. The GGB Gaming & Technology Awards surely recognize all the trends and innovation being made in the industry today."

The winners of the 17th Annual GGB Gaming and Technology Awards are:

Best Consumer Service Technology

Gold Medal: JACK Entertainment — GT Connect

Silver Medal: JCM Global — FUZION

Best Productivity-Enhancement Technology

Gold Medal: Scientific Games — iVIEW 4

Silver Medal: The Rainmaker Group — grouprev

Best Slot Product

Gold Medal: Konami Gaming Inc. — Beat Square

Silver Medal: AGS — Orion

Best Table Game Product or Innovation

Gold Medal: Gamblit Gaming — Gamblit Poker LIVE

Silver Medal: TCSJohnHuxley — Qorex Gameball

Congratulations to the winners and nominees for representing the "Best of the Best" in innovation, technology and service in the gaming industry.

Judges for the awards: [Claudia Winkler](#), president of GHI Solutions, [Robert Russell](#), Gaming Analyst,

Regulatory Management Counselors, P.C.; [Frank Neborsky](#), CEO, Power Strategies; [Gerhard Burda](#), president and CEO, ESCAPES Advisory Services and [Cliff Paige](#), slot director, South Point Casino Resort, Las Vegas.

AGA Announces Strategic Plan 2020

During his keynote address to the gaming industry last week at the Global Gaming Expo, American Gaming Association CEO Geoff Freeman released details of the Strategic Plan 2020.

The plan outlines four "strategic pillars":

- Shape a Favorable Federal Policy Environment for Regulated Gaming.
- Promote the Social and Economic Value of Gaming.
- Create a More Favorable Business Environment in the States.
- Leverage the Power of the Industry to Build Member Value Beyond Advocacy.

Big picture, the AGA has defined its mission to be to "Achieve sound policies and regulations consistent with casino gaming's modern appeal and vast economic contributions". Its "guiding principles" include:

- Accomplish for the industry what individual members cannot do alone.
- Lead a rigorous and inclusive process to define industry positions on contentious or significant issues.
- Support policies that promote industry reinvestment and innovation.
- Drive focus and execution on the highest value priorities.

The AGA, which is headquartered in Washington D.C., was founded in 1994 and is the premier national trade group representing the industry.