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# The \_\_\_\_\_ MICHIGAN GAMING \_\_\_\_\_ Newsletter



## **MICHIGAN GAMING CONTROL BOARD RELEASES DETROIT CASINO REVENUES & WAGERING TAXES FOR JUNE 2019 AND 2ND QUARTER 2019**

In a [press release](#) dated July 16, 2019, the Michigan Gaming Control Board ("MGCB" or "Board") released the June 2019 revenue figures for the three Detroit casinos: MGM Grand Detroit Casino, MotorCity Casino and Greektown Casino. The MGCB released numbers for the second quarter of 2019 as well.

The three Detroit casinos reported \$117.5 million in aggregate revenue for June 2019, a 1.4% decline from the same month last year. The results were 6.6% below the monthly revenue in May 2019.

Please see the linked [State of Michigan official financial report](#).

Revenue decreased at MGM by 2.2% to \$50.7 million. MotorCity recorded a revenue increase of 0.7% to \$39.9 million. Greektown revenue decreased by 2.8% to \$26.9 million, all compared with June 2018 results.

The June 2019 market shares for MGM Grand Detroit, MotorCity Casino and Greektown Casino were 43%, 34% and 23% respectively.

During June 2019, the three Detroit casinos paid \$9.5 million in gaming taxes to the State of Michigan, compared with \$9.6 million for the same month last year. The three casinos reported submitting \$14 million in wagering taxes and development agreement payments to the City of Detroit in June 2019.

### **Second Quarter Report 2019**

Second quarter combined aggregate revenue of \$368.4 million was a 0.2% increase from the same period last year. For the quarter, MGM Grand Detroit reported a .07% increase in revenue at \$157.5 million. Greektown revenue at

\$85.6 million was up .03%. MotorCity's quarterly revenue of \$125.3 million was up .34% compared with last year. The state received \$29.84 million in gaming taxes for the second quarter compared with \$29.79 million paid in 2018.

All three casinos are subject to a wagering tax of 19%, with 10.9% of this levy payable to the City of Detroit and 8.1% payable to the State of Michigan.

The figures released by the Board are the gross receipts less winnings paid to wagerers. The figures do not include: 1) any fees or other relevant city, state or federal taxes; 2) wages and benefits paid to casino employees; 3) payments to suppliers, services providers or vendors; nor 4) other normal business expenses.

## **ALTERNATE BILL INTRODUCED FOR MILLIONAIRE PARTIES**

Rep. John Reilly, R-District 46, introduced HB 4730 on June 18, 2019, seeking to amend the amount that a millionaire party licensee may receive under 1972 PA 382, the Traxler-McCauley-Law-Bowman Bingo Act ("Bingo Act"). The bill would increase the amount from \$15,000 per day of the millionaire party license to \$30,000 per day. The bill has been referred to the Committee on Regulatory Reform.

HB 4730 proposes alternative changes to Millionaire Party rules than previously introduced HB 4173, which was introduced by Rep. John Chirkun, D-District 22, on February 13, 2019. The February bill seeks to amend the Bingo Act by enacting an article regulating millionaire parties separately from other bingo and charitable gaming regulations. Article 2 would increase the amount that a millionaire party licensee may receive from \$15,000 per day to \$20,000 per day, or \$80,000 divided by the number of days allowed by the license. The maximum number of days allowed by a millionaire party license would remain at four (4) days. The bill has been referred to the Committee on Regulatory Reform and would not take effect unless HB 4172, seeking to remove millionaire party regulations from the current Bingo Act, is also enacted as part of an

omnibus gaming legislation bill on which the Michigan Gaming Newsletter has previously reported. See [Volume 25, Issue 16 of the Michigan Gaming Newsletter](#).

## **NATIONAL CONFERENCE ON GAMBLING ADDICTION AND PROBLEM GAMBLING**

The National Council on Problem Gambling ("NCPG") and the Problem Gambling Coalition of Colorado ("PGCC") are hosting the 33<sup>rd</sup> National Conference on Gambling Addiction and Problem Gambling this weekend at the Sheraton Hotel in Denver, Colorado. This annual conference is the premier educational and networking event for problem gambling and responsible gambling professionals in the country.

Keith Whyte, Executive Director of the NCPG, and Larry Wall, President of the PGCC, gave the following overview of the conference:

"You will find a variety of speakers discussing numerous hot topics over four days in Denver, including responsible gambling and regulation, military and gambling, prevention, treatment and recovery, and community. We expect to welcome over 600 professionals in prevention, education, treatment, research and regulation, as well as members of the recovery community. Take advantage of this incredible opportunity for professional development, networking and "Awareness plus Action!" The Conference program will highlight best practices and rising trends in problem gambling and responsible gambling, including sports betting. Our line-up of keynote and breakout session speakers is unmatched in these unique fields."

The conference includes seven different educational tracks, including:

- Community Track
- Military and Gambling Track
- Prevention Track
- Recovery Track

- Responsible Gaming and Regulation Track
- Treatment Track
- Additional Sessions Track

A highlight event sponsored by MGM Resorts International is being held to kick off the Conference tonight at the Denver Museum of Nature and Science. Additionally, at noon the National Problem Gambling Awards Ceremony will take place which is sponsored by Ohio for Responsible Gambling.

Onsite registration is offered. More information on the conference can be found [here](#).

Michael Burke, President of the Michigan Association on Problem Gambling and a member of the NCPG Board of Directors provided the following observation on the conference:

“We are especially happy with the focus that the conference is placing on treatment, both for problem gamblers in general, and members of the military who suffer from this disorder. The gaming industry provides very substantial funding to address problem gambling in Michigan and in many states. It is very important for this money to get directed toward providing effective treatment. Our best estimates are that about 1 out of 10 problem gamblers ever seek treatment. Thus, 90% of gamblers continue to struggle with this addiction without the benefit of professional (or 12-step) help. We know that problem gambling treatments work for those who use them.”

## **AMERICAN GAMING ASSOCIATION ANNOUNCES LEADERSHIP CHANGES**

Via a press release issued June 28, 2019 that can be found in its entirety [here](#), the American Gaming Association (“AGA”) announced promotions of three senior staff to new positions, as well as the departures of two AGA executives. Dan Bretl will become senior vice president, strategy and operations, Casey Clark will become senior vice president, strategic communications, and Chris Cylke will become

senior vice president, governmental relations. AGA CEO Bill Miller noted: “These promotions recognize the contributions these three leaders have already made to our organizational and industry success, and their ability to lead functions that are fundamental to AGA being the best steward of our industry, and advocate for our members.” He added: “Dan, Casey and Chris have decades of hospitality, advocacy and association leadership experience that will continue to be valued assets for me, for the AGA staff, and for our members as we continue to advance the gaming industry’s interests across the country.”

In concurring moves, Sara Slane, senior vice president, public affairs, and Stacy Papadopoulos, senior vice president and general counsel, announced they will be leaving the AGA in July. Ms. Papadopoulos announced she has accepted the position of general counsel and senior vice president of operations and special initiatives at the Grocery Manufacturers Association, and Ms. Slane announced she is launching an advisory firm assisting sports and media companies, Slane Advisory. AGA CEO Bill Miller praised both Ms. Papadopoulos and Ms. Slane, noting: “The AGA accomplished a great deal during Sara and Stacy’s tenure, and much of our organizational success is to their credit. Their contributions helped reshape and advance the organization and enable some of the most significant policy victories in our organization’s history. Our team, our members and the entire gaming industry benefited greatly from their many contributions.”