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The MICHIGAN GAMING Newsletter



Governor Makes Four Appointments to the Michigan Gaming Control Board

Yesterday, Michigan Governor Gretchen Whitmer announced the appointment of four people to the Michigan Gaming Control Board. Three of the appointees will be new members of the Board, with one who is being reappointed. Per the Governor's press release, the appointments include:

- Joni M. Thrower Davis, of Detroit, is the owner and operator of four Metro Detroit McDonald's restaurants and the managing partner for Jamjomar, Inc. She holds a Bachelor of Arts from the University of Michigan and a Juris Doctor degree from Emory University School of Law. Mrs. Thrower Davis is appointed to represent Democrats for a term commencing July 22, 2021 and expiring December 31, 2023. She succeeds Patrick McQueen whose term expired December 31, 2019.
- Linda Forte, of Detroit, is retired from Comerica, Inc., where she served as the senior vice president of business affairs and chief diversity officer. Ms. Forte currently serves as a board member for Blue Cross Blue Shield Michigan. She holds a Bachelor of Science from Bowling Green State University and a Master of Business Administration from the University of Michigan. Ms. Forte is appointed to represent Democrats for a term commencing July 22, 2021 and expiring December 31, 2024. She succeeds Carla Walker-Miller whose term expired December 31, 2020. The Governor has designated Ms. Forte to serve as Chair of the Board.
- Deidre A. Lambert-Bounds, of Troy, is the president and co-owner of Ignite Social Media, LLC and the COO and co-owner of its sister company, Carusele Media. She serves as an advisor to the Education Trust Midwest, a member

of the executive committee for the Sphinx Organization, and a former member of the Michigan Women's Commission. Mrs. Lambert-Bounds is appointed to represent Independents for a term commencing July 22, 2021 and expiring December 31, 2024. She succeeds Barbara Smith whose term expired December 31, 2020.

- Andrew Palms, of Chelsea, is the executive director of ITS Infrastructure at the University of Michigan. He has a Bachelor of General Studies in Computer Science, Business, and Engineering from the University of Michigan. Mr. Palms is reappointed to represent Democrats for a term commencing July 22, 2021 and expiring December 31, 2023.

These appointments are subject to the advice and consent of the Senate.

Caesars Windsor Reopens

At 10:00 a.m. this morning, Caesars Windsor reopened its facilities to the public. This initial reopening phase is limited to slot machines and select food and beverage amenities with plans to open more amenities as operating restrictions allow for expansion.

Caesars Windsor has developed a multi-layered health and safety plan, which has been assessed by an infectious disease expert, to reduce the risk of exposure to COVID-19. As part of the casino's plan, face masks are required for all patrons throughout the facilities. Also, before entering the casino, guests are required to answer a series of health assessment questions. Contact tracing information is collected upon entry and retained by the casino for at least thirty days.

Caesars Windsor has also announced that it is implementing new health standards for its facilities. Along with the placement of hand sanitizing stations at high contact areas, high touch points throughout the casino will be frequently disinfected. A two-meter physical distancing policy will also remain intact, and

employees will work to promote social distancing. Additionally, slot machines and chairs will be sanitized on a regular basis.

Caesars Windsor's reopening comes days before Canada plans to reopen its borders. In a [news release](#), the Public Health Agency of Canada announced that the country will open its borders to United States citizens and permanent residents currently residing in the United States who have been fully vaccinated 14 days prior to entry, taken a pre-entry COVID-19 test, and submitted their travel information in the ArriveCAN portal.

As provincial guidelines allow, Caesars Windsor has indicated that it will restore additional services. In addition to reopening table games on July 28, subject to regulatory approval, the casino is working to determine when and how it will begin offering hotel services and concerts.

To read more about Caesars Windsor's plans for a safe reopening, refer to its Frequently Asked Questions page [here](#) or its Health and Safety page [here](#).

Gun Lake Tribe Shares \$7.8 Million with State and Local Governments

Gun Lake Tribe (Tribe) announced details of its spring revenue sharing payments this week. The State of Michigan received \$4,049,995 and the local revenue sharing board received \$2,024,997. GLIMI, an economic development entity, received \$1,214,998. The figures are calculated from electronic gaming revenues reported from October 1, 2020 to March 31, 2021. The spring revenue sharing distribution total of \$7,289,991 highlights a slight rebound for Gun Lake Casino following a three-month shutdown in spring 2020, followed by operations and capacity limitations related to the COVID-19 pandemic.

"As we begin to return to a new normal, we're pleased to be able to make a difference in the

local community with this distribution,” said Bob Peters, Gun Lake Tribe Chairman. “With the hardships and struggles of the past 16 months, it’s more important than ever that we be good stewards in the community.”

The Tribe has now shared more than \$102 million with the State of Michigan, which directs the payments to the Michigan Economic Development Corporation (MEDC). The MEDC in turn awards grants to businesses to invest in Michigan and create jobs.

In its press release announcement, the Tribe noted that the Tribe’s state revenue sharing payments are dependent on the continued preservation of exclusive gaming rights within its competitive market area, as defined by the tribal-state gaming compact, which also includes statewide expansion of certain lottery games. The market area includes the cities of Grand Rapids, Kalamazoo, and Lansing, as well as the entire counties of Kent, Kalamazoo and Ingham, among others.

The Local Revenue Sharing Board receives and administers the semi-annual payments. The gaming compact prescribes mandatory funding to local municipalities for: costs incurred due to the operation of the casino; public safety services; and replacement of tax revenue. The Board established by-laws to govern the distribution process. The local payments are made under terms of the gaming compact independent of gaming exclusivity. Local payments now total nearly \$38 million.

Gun Lake Casino opened in February 2011 and now employs over 1,100 team members. Gun Lake Tribe has now shared \$157,337,776 with state and local governments over 21 distributions.

Michigan Operators Report \$114.2 Million in June Gross Internet Gaming and Sports Betting Receipts

According to a [press release](#), Michigan internet gaming operators reported \$89.2 million in internet gaming gross receipts for June. Internet sports betting operators received \$25 million in total gross sport betting receipts and reported a total handle of \$235.1 million for the month.

“Michigan’s gross internet casino gaming and online sports betting wagering receipts in June roughly matched May,” said Henry Williams, Michigan Gaming Control Board executive director. “Summer is here, and Michigan is reopening after the pandemic restrictions so there are many entertainment opportunities. The slight tenth of a percent decline from May to June shows internet gaming and online sports betting continues to draw Michigan residents’ and visitors’ interest.”

Taxes and payments are based on adjusted gross receipts, which were \$66.2 million for internet gaming and \$16.8 million for internet sports betting during June. The operators paid approximately \$14.6 million in taxes and payments to the State of Michigan for June, with Internet gaming contributing \$13.7 million and internet sports betting contributing \$927,575.

During June, Michigan’s largest internet casino gaming operator, MGM Grand Detroit, took its first deduction for free play since launch in January. The \$17.5 million free play deduction contributed to a 25.7 percent decline in internet gaming adjusted gross receipts in June compared with May results. Michigan law limits the deduction for internet casino gaming free play to 10 percent or less of gross receipts in the first three years after launch.

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 \$3.6 million to the City of Detroit during May for:

- Internet gaming taxes and fees: \$3.1 million
- Internet sports betting taxes and fees: \$518,269

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 June 30, aggregate internet gaming adjusted gross receipts totaled \$435.6 million and aggregate internet sports betting adjusted gross sports betting receipts were \$40.5 million.

An online gaming and sports betting revenue distribution table is available on the [agency's website](#).

During June, 13 operators were authorized for one or both forms of online wagering. FireKeepers Casino also conducted a soft launch with limited participation during June before the MGCB approved a full launch for Michigan's 14th operator on July 12. Details for each operator's internet gaming and internet sports betting results are available in [tables](#) published on the MGCB website.