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*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

Features Editor and Reporter Gabrielle Davis, Esq. Phone: 517.999.5416 gdavis@rmclegal.com

Subscription information: info@michigangaming.com

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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



MICHIGAN GAMING CONTROL BOARD AUTHORIZES ONLINE GAMING, SPORTS BETTING TO BEGIN JAN. 22

The Michigan Gaming Control Board today authorized nine operators to begin online sports betting or both online gaming and sports betting at noon on Friday, January 22, 2021. Below find the issued press release.

"The Michigan Gaming Control Board and the state's commercial and tribal casinos will begin a new era Jan. 22 with the launch of regulated online gaming and sports betting," said Richard S. Kalm, MGCB executive director. "Michigan residents love sports and, judging by inquiries we've received, eagerly anticipate using mobile devices to place bets through the commercial and tribal casinos. Online gaming and sports betting will provide the casinos with new ways to engage with customers while the state and local communities will benefit from taxes and payments on wagering revenue."

The operators authorized to begin online offerings Jan. 22 are:

Tribe/Casino	Associated Platform Provider	Gaming Type(s) Offered on Jan. 22
Bay Mills Indian Community	DraftKings	Internet Casino Games Internet Sports Betting
Grand Traverse Band of Ottawa and Chippewa Indians	William Hill	Internet Casino Games Internet Sports Betting
Greektown Casino	Penn Sports Interactive/ Barstool Sportsbook	Internet Sports Betting
Hannahville Indian Community	TwinSpires	Internet Casino Games Internet Sports Betting
Keweenaw Bay Indian Community	Golden Nugget Online Gaming	Internet Casino Games Internet Sports Betting

Little River Band of Ottawa Indians	Rush Street	Internet Casino Games Internet Sports Betting
MGM Grand Detroit	BetMGM/Roar Digital	Internet Casino Games Internet Sports Betting
MotorCity Casino	FanDuel	Internet Casino Games Internet Sports Betting
Sault Ste. Marie Tribe of Chippewa Indians	Wynn	Internet Casino Games Internet Sports Betting

The days between authorization and launch will give the operators and platform providers additional time for testing and adjustments before the gaming goes live, Kalm said.

The MGCB expects to authorize additional operators and platform providers in the coming days and weeks as agency staff review other submissions to ensure they meet the state's regulatory requirements. Controls to ensure safety and fairness for bettors have been key concerns for the MGCB.

"We want the public to have confidence when they place wagers, and our agency has required the providers to prove they meet Michigan's standards, which are designed to protect the participants," Kalm said.

#### **Taxes and Payment Rates**

The tax and payment rate for online sports betting is 8.4 percent. The tax and payment rate for internet gaming ranges from about 20 percent to 28 percent.

The Detroit casinos also may be required to pay a municipal services fee and a development agreement payment to the city of Detroit.

#### **Tax Allocations**

For the Detroit casinos, online sports betting and internet gaming taxes are allocated:

- 30 percent to the city of Detroit
- 5 percent to the Michigan Agriculture Equine Industry Development Fund (up to \$3 million per year from each tax source)
- 65 percent to the state Internet Sports Betting Fund or the state Internet Gaming Fund

For internet gaming, a hold-harmless provision seeks to help the city recoup lost gaming tax revenue if the city of Detroit collects less than \$183 million in a fiscal year.

For the tribal casinos:

- Online Sports Betting: Payments by tribes are allocated to the Internet Sports Betting Fund (90 percent) and the Michigan Strategic Fund (10 percent)
- Internet Gaming: Payments by tribes are allocated 20 percent to local jurisdiction governing body for services, 70 percent to the state Internet Gaming Fund and 10 percent to the Michigan Strategic Fund.

# Internet Sports Betting Fund/Internet Gaming Fund

Other money collected under these acts will be used for:

- Appropriated funding for MGCB
- The Compulsive Gaming Prevention Fund (\$500,000 annually after board expenditures)
- The First Responder Presumed Coverage Fund (\$2 million after board expenditures and compulsive gambling fund)
- The State School Aid Fund (all money remaining after the above expenditures)

#### Resources

The MGCB has published <u>FAQs</u>, <u>patron dispute</u> <u>forms</u> and a <u>sports wagering catalog</u> on its website, <u>www.michigan.gov/mgcb</u>.

The platform providers' websites will have information on establishing an account as well as self-exclusion options for problem gamblers. The Michigan Department of Health and Human Services maintains a 24-hour, toll-free, gambling-problem helpline, 1-800-270-7117.