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Michigan Internet Gaming and Online Sports Betting Operators Report \$161.7 Million in Combined Total Gross Receipts for November

According to a [press release](#), Michigan commercial and tribal internet casino gaming and online sports betting operators reported \$161.7 million in combined total gross internet gaming receipts and gross internet sports betting receipts for November. November results were 20.7% higher than October.

For the month of November gross monthly sports betting receipts of \$54.1 million set a Michigan monthly record, up 67.7% from the \$32.3 million recorded in March. The \$473.8 million total November sports betting handle was up 2.3% from the previous \$463.3 million record established in October.

Combined total adjusted gross receipts and adjusted gross sports betting receipts were \$130.8 million in November and include:

- Internet casino gaming: \$96.3 million
- Internet sports betting: \$34.5 million

Adjusted gross receipts include deductions for the monetary value of free play incentives provided to and wagered by bettors.

The operators delivered \$21.4 million in taxes and payments to the State of Michigan for November, with Internet gaming contributing \$19.8 million and internet sports betting contributing \$1.6 million in taxes and payments.

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 \$6.2 million for:

- Internet gaming taxes and fees: \$5.3 million
- Internet sports betting taxes and fees: \$926,598

Tribal operators reported making total payments of \$2.2 million of wagering payment to the tribes' governing bodies according to the MGCBC.

From the January 22 launch through November 30, aggregate internet casino gaming adjusted gross receipts totaled \$893.8 million and aggregate internet sports betting adjusted gross sports betting receipts were \$99.7 million.

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

During November, 14 operators were authorized for one or both forms of online wagering. Details for each operator's internet gaming and internet sports betting results are available in [tables](#) published on the MGCBC website.

Detroit Casinos Reported \$108.19 Million in November Aggregate Revenue

According to a [press release](#) issued by the Michigan Gaming Control Board the three Detroit casinos reported \$108.19 million in monthly aggregate revenue in November. Table games and slots generated \$103.86 million in revenue, and retail sports betting produced \$4.33 million in revenue.

The November market shares were:

- MGM, 46%
- MotorCity, 32%
- Greektown, 22%

During November, table games and slot revenue was 116.1% higher than November 2020 revenue. In 2020 the casinos operated at reduced capacity for the first weeks in November and closed from November 18-30, due to pandemic-related health concerns. In November 2019 the three Detroit casinos reported aggregate revenue of \$124.2 million from table games and slots.

Gaming revenue by casino in November was:

- MGM, \$48.29 million
- MotorCity, \$33.04 million
- Greektown, \$22.53 million

November 2021 revenue was 6.8% lower than October 2021 revenue.

Year to date gaming revenue for table games and slots for the three Detroit casinos rose 93.1% compared with the same period in 2020.

The three Detroit casinos paid \$8.4 million in gaming taxes to the State of Michigan in November 2021 compared to \$3.9 million in November 2020. The casinos also reported submitting \$13.0 million in wagering taxes and development agreement payments to the City of Detroit in November.

The Detroit casinos reported a total gross sports betting receipts of \$4,642,805, and total handle of \$26,693,885. Retail sports betting qualified adjusted gross receipts (QAGR) for November were 85.2% higher than November 2020 results. QAGR was up 63.7% compared with October numbers.

For the month of November QAGR by casino were as follows, Greektown led the way with \$1,824,846, followed by MotorCity with \$1,472,396 and MGM with \$1,031,457.

The State of Michigan received \$163,625 in retail sports betting taxes from all three Detroit casinos. The City of Detroit received \$199,986 in retail sports betting from the three Detroit casinos.

Through November 30, aggregate retail sports

betting qualified adjusted gross receipts were:

- MGM, \$8,156,860
- MotorCity, \$8,836,666
- Greektown, \$8,847,134

Fantasy contest operators reported total adjusted revenues of \$1,758,255 and paid \$147,693 in taxes during October. Through October 31, fantasy contest operators reported 2021 aggregate fantasy contest adjusted revenues of \$13.9 million and paid \$1.2 million in taxes.

National Council of Legislators from Gaming States: Winter Round Up

The NCLGS Winter Conference was held earlier this week (December 12th – 14th) in Austin, Texas. Legislators from around the country discussed several key industry issues with the goal of educating policy makers to ensure sound thoughts go into future policy discussion. NCLGS is the only organization of state lawmakers that meets on a regular basis to discuss issues relating to gaming. Members of NCLGS serve as chairpersons or members of state legislative committees responsible for the regulation of gaming in their state legislative houses. NCLGS is primarily concerned with the regulation and economic and social impacts of the industry.

Some of the key issue discussed included panels on iGaming, Responsible Gaming, and adopting new technologies. As states expand into iGaming, a number of policy considerations confront the state governments, like what is the right iGaming economic model for a state. One consistent comment among the panelists was that in developing a successful iGaming regulatory model the proper incentives (or lack of hurdles) must be in place to ensure that players move from offshore, unregulated providers to the providers within the state. This ensures that adequate consumer protections are in place along with the state maximizing potential revenues.

The discussion on responsible gaming permeated

throughout the conference. Not only was there a specific panel, led by Nevada senator Keith Pickard, discussing the growth in digital gaming and the challenges the industry and states face in order to stay ahead of the issue, but nearly every panel touched on this topic to some degree. Most commenters agreed there is a need for a more centralized database to monitor self-exclusions and regulators would like to see cross jurisdictional access. Senator Pickard announced that NCLGS will be developing and considering a resolution for states to help enhance responsible gaming and to better protect those impacted.

Another panel that garnered a great deal of discussion was the adoption of new technologies. Specifically, the discussions centered around moving to cashless gaming at land-based casinos. Although this process has started to a minimal extent, the development of COVID and the CDC's recommendation not to exchange paper currency advanced the acceptance in several jurisdictions. As the United States returns to a level of normalcy, more and more providers are recognizing the benefits of cashless transactions that include financial security and player tracking, among others. In addition, several regulators are recognizing the potential benefits in responsible gaming under cashless payments such as cool down periods. As this issue continues to mature, it will likely require legislative and/or regulatory changes in jurisdiction to allow for its continued expansion.

Finally, NCLGS will host a Regulators Roundtable March 16-17 in Las Vegas, followed by its Summer Conference in Boston in July -- <https://www.nclgs.org/>

FinCEN Seeks Comments on Modernization of AML/CFT Regulation

On Tuesday of this week, FinCEN issued a [request for information](#) (RFI) seeking comments on ways to streamline, modernize, and update the anti-money laundering and countering the financing of

terrorism (AML/CFT) regime of the United States. FinCEN is particularly interested in comments on ways to modernize risk-based AML/CFT regulations and guidance, issued pursuant to the Bank Secrecy Act (BSA) so that they, on a continuing basis, protect U.S. national security in a cost-effective and efficient manner. The RFI also supports FinCEN's efforts to conduct a formal review of BSA regulations and related guidance, which is required by Section 6216 of the Anti-Money Laundering Act of 2020. FinCEN will report to Congress the findings of the review, including administrative and legislative recommendations.

"We recognize that the illicit finance threat landscape continues to evolve and that technology and innovation now play an important role in the efficient application of resources to combat illicit finance. I urge all relevant stakeholders to review the RFI and comment on ways that FinCEN can modernize AML/CFT regulations and guidance and better promote a risk-based approach to AML/CFT compliance," said FinCEN Acting Director Himamauli Das.

This formal review will help FinCEN ensure that BSA regulations and guidance continue to safeguard the U.S. financial system from threats to national security posed by various forms of financial crime, and that BSA reporting and recordkeeping requirements continue to be highly useful in countering financial crime. The formal review also will allow FinCEN to identify regulations and guidance that are outdated, redundant, or otherwise do not promote a risk-based AML/CFT compliance regime for financial institutions, or that do not conform with U.S. commitments to meet international AML/CFT standards. In consultation with specified stakeholders, FinCEN indicated that it will make appropriate changes to regulations and guidance, as appropriate, to improve their efficiency. In addition, the formal review will assist FinCEN in identifying recommendations for administrative and legislative changes.

FinCEN strongly encourages all interested parties (including regulated entities; state, local, and Tribal governments; law enforcement; regulators;

and other consumers of BSA data) to submit written comments, which will help inform FinCEN's report to Congress. Comments should be submitted by February 14, 2022.