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Michigan Gaming Control Board and Liquor Control Commission Partner to Educate Public, Remove Unregulated Machines Used for Illegal Gaming

According to a [press release](#) issued by the Michigan Gaming Control Board (MGCB), the Michigan Liquor Control Commission (MLCC) along with MGCB will conduct a statewide public education and enforcement initiative in 2022 to encourage businesses to remove unregulated machines used for illegal gaming.

"Illegal gambling can lead to other, more serious crimes that compromise safety in Michigan communities," said Henry Williams, MGCB Executive Director. "Citizens who use these unregulated machines also have little recourse if they feel cheated. They can't file a formal dispute with an unregulated operator and ask our agency to review the outcome as they can when participating in licensed, legal gaming."

By working together, the two state agencies hope to provide better knowledge to raise awareness about the consequences of illegal gambling in Michigan.

"Liquor licensees who allow illegal gambling and who fail to remove gambling devices used for illegal gaming from their businesses can face violations from the Michigan Liquor Control Commission," said MLCC Chair Pat Gagliardi. "Illegal gambling is considered a serious violation by the Commission, and the penalties from a violation can include fines, suspension or revocation of a liquor license. Liquor licensees are encouraged to utilize only legal forms of gambling to stay compliant with the Commission's laws and rules."

The state agencies will share information with businesses and the general public about what is legal in Michigan. The hope is to offset misleading information

they have received about unregulated machines used for illegal gaming. The misleading information often comes from machine and software suppliers.

Michigan law broadly prohibits any kind of gambling unless specifically authorized under state law, such as gambling machines operated within licensed casinos.

"Laws that authorize and regulate gaming in the State of Michigan serve to protect consumers who wish to gamble," Attorney General Dana Nessel said. "My office stands ready to assist the Michigan Liquor Control Commission and Michigan Gaming Control Board in this important enforcement effort. We will not hesitate to hold people accountable if they ignore this opportunity to voluntarily remove illegal gambling machines."

MGCB has two documents available to assist business and the public to identify what is and isn't legal. This [fact sheet about Michigan law](#) and more specifically a [fact sheet on unregulated machines](#) used for illegal gaming may be helpful.

"With additional education, we hope business owners will do the right thing and not offer illegal gaming in their establishments," Williams said. "However, we are prepared to enforce Michigan law and take action against those who violate it."

The partnership with the Michigan Liquor Control Commission will further enable the State of Michigan to effectively combat this ongoing illegal activity, Williams said.

Detroit Casinos Produce \$1.29 Billion Aggregate Revenue During 2021

According to a [press release](#) issued by the Michigan Gaming Control Board, the three Detroit casinos reported \$1.29 billion in yearly revenue for 2021. The revenue breakdown leaders were slots, which generated 77% of the revenue at \$998.8 million, table games, which provided 21% of the revenue at \$268 million, and retail sports

betting added 2% of the revenue at \$26.95 million.

The 2021 market shares for each Detroit casino were:

- MGM Grand Detroit, 43%
- MotorCity Casino, 35%
- Greektown Casino, 22%

By comparison, the three Detroit casinos produced nearly \$639 million in aggregate revenue in 2020 and a record \$1.454 billion in 2019.

Table Games and Slot Revenue and Taxes – 2021

Gaming revenue for slots and table games rose 104.2% to \$1.27 billion in 2021. MGM Grand Detroit's revenue rose 115.5% to \$554 million. MotorCity Casino's revenue was up 96.8% to \$438.3 million. At Greektown Casino, revenue was up 95.2% to \$274.5 million.

During 2021, the three Detroit casinos paid \$102.6 million in wagering taxes to the State of Michigan compared with \$50.3 million in 2020 on slots and table games revenue.

The three Detroit casinos reported making \$160.8 million in wagering taxes and development agreement payments on slots and table games revenue to the City of Detroit in 2021

Retail Sports Betting and Taxes – 2021

The three Detroit casinos reported aggregate retail sports betting qualified adjusted gross receipts of \$26.95 million. Qualified adjusted gross receipts are gross sports betting receipts minus the monetary value of free play incentives provided to and wagered by bettors.

The breakdown by casino was:

- MGM, \$8.79 million
- MotorCity, \$8.69 million
- Greektown, \$9.47 million

The three Detroit casinos paid \$1 million in taxes for retail sports betting to the State of Michigan in 2021, compared with \$690.865 in 2020. They reported submitting \$1.26 million in retail sports betting taxes to the City of Detroit.

December 2021 results

During the month of December 2021 the three casinos reported \$112.5 million in monthly aggregate revenue. Table games and slots generated \$111.4 million while retail sports betting produced \$1.1 million in revenue.

Table games and slots revenue was 405% higher in December 2021 than revenue produced in December 2020 when the casinos were closed from December 1 through December 23 because of an epidemic order. Revenue was up 7.2% for table games and slots when compared with November numbers.

During December, the three Detroit casinos reported aggregate revenue of \$124.2 million from table games and slots.

Gaming revenue by casino in December were:

- MGM, \$51.4 million, 576.5% increase from December 2020
- MotorCity, \$35 million, 284.9% increase from December 2020
- Greektown, \$25 million, 365.9% increase from December 2020

In the month of December, the three Detroit casinos paid \$9 million in wagering taxes to the State of Michigan compared with \$1.8 million paid in December 2020. The three Detroit casinos reported making \$18.1 million in wagering taxes and development agreement payments to the City of Detroit.

Retail Sports Betting Revenue and Taxes – December

The three Detroit casinos reported total gross sports betting receipts of \$1,155,678, and total handle of \$30,071,942. Retail sports betting

qualified adjusted gross receipts (QAGR) in December fell 41.3% when compared with December 2020 results coming in at \$1.1 million.

For the month of December, QAGR by casinos were as follows, MGM led the way with \$631,703, followed by Greektown with \$624,849 and MotorCity coming in at -\$150,664.

The State of Michigan received \$47,498 in retail sports betting taxes from all three Detroit casinos. The City of Detroit received \$58,053 in retail sports betting from the three Detroit casinos.

Fourth Quarter Table Games and Slot Revenue and Taxes

The three Detroit casinos' fourth quarter aggregate revenue was up 99.3% compared to the fourth quarter of 2020 when the casinos were closed from November 18 through December 23.

Quarterly gaming revenue for all three casinos are as follows:

- MGM, \$152.3 million, 131.4% increase
- MotorCity, \$105 million, 67% increase
- Greektown, \$69.4 million, 97% increase

Fantasy Contests

Fantasy contest operators reported total adjusted revenues of \$1.5 million and paid \$127,348 in taxes during November. Through November 30, fantasy contest operators reported 2021 aggregate fantasy contest adjusted revenues of \$15.4 million and paid \$1.3 million in taxes to the state.

Caesars Sportsbook Becomes MSU Athletics' Exclusive Sports Betting Partner

According to a [press release](#), Michigan State University (MSU) Athletics, MSU Sports Properties, and Caesars Sportsbook announced a

multi-year partnership to make Caesars Sportsbook the official and exclusive sports betting and iGaming partner of MSU Athletics.

“The opportunity to partner with Caesars,” said Alan Haller, Vice President and Director of Athletics at MSU, “will help enhance gameday experiences for Spartan fans and provide significant resources to support the growing needs of each of [the school’s] varsity programs.”

The agreement provides Caesars Sportsbook with new exposure opportunities through the assets and experiences offered by MSU’s sports properties. The sportsbook will receive access to broadcast and digital content across MSU Athletics, along with TV-visible signage across basketball, football, and hockey events. Additionally, Caesars will gain the right to name a new premium seating section within Spartan Stadium.

Caesars has committed to depositing annual funds in Michigan to support student-athlete responsible gaming education and to fund student scholarships and internship opportunities. The company also plans to support internship and professional development experiences for MSU students seeking a career in the sports industry.

Further emphasizing Caesars’ dedication to responsible gaming, the company will coordinate with the Michigan Association on Problem Gambling, state regulators, and the community to ensure responsible gaming resources are available for all sports bettors in the state. The company also plans to promote the responsible gaming tools within its Caesars Sportsbook application.

Haller expressed the University’s excitement “to be on the cutting edge of this innovative opportunity, while recognizing the importance of Caesars’ commitment to responsible sports gaming education.”

Ohio Legalizes Sports Betting

The long-debated legalization of sports betting in Ohio has culminated in the passage of House Bill 29, when Governor Mike DeWine signed the bill on December 22, 2021. The new law emerged following a December arrangement between the House Speaker and Senate president to advance the sports betting legalization process.

The new law enables the launch of legalized sports betting on professional, college, and eSports events by January 1, 2023. Ohio will authorize 40 brick-and-mortar retail sportsbooks at casinos, stadiums, bars, and restaurants. The enabling statute also provides for 25 mobile gaming licenses. Sports teams, racinos, and casinos will be given initial priority for licensure. Also, mobile licensees may pursue a second license provided that the issuance will offer financial benefits to the state.

A ten percent tax will be imposed on net sports betting revenue. Nearly 98% of this tax revenue will be directed to K-12 education, and the remaining 2% will help fund problem gambling programs.

House Bill 29 vests the Ohio Casino Control Commission (OCCC) with oversight duties. The Commission will be responsible for promulgating rules and regulations to govern in-person and mobile sports betting activities and to promote the integrity of sports betting in the state.

In accordance with the Ohio Legislative Service Commission’s estimate that sports betting could produce over \$3 billion in annual revenue for the state, according to an [article](#) Senator Kurt Schuring wants “to get this up and running as soon as possible,” but advises some caution because the state is “building a whole new industry.”

MotorCity Promotes Dr. David Turner to Human Resources SVP

On January 14, 2022, MotorCity Casino Hotel [announced](#) the promotion of Dr. David Turner to Senior Vice President of Human Resources. Dr. Turner will engage in employee and labor relations for the casino, facilitate talent acquisition and development, and strive to maintain a diverse and inclusive workforce.

“Our workforce plays a vital role in delivering best in-class experiences for our customers, and we’re lucky to have David leading the charge,” commented John Policicchio, MotorCity General Manager.

A Detroit native, Dr. Turner joined MotorCity in 2019 as Vice President of Human Resources. His nearly three decades of human resources experience and Ph.D in Human Capital Management prepared him for his past and present roles at MotorCity.

Expressing his confidence in Dr. Turner’s promotion, Policicchio said “David’s experience and passion for workforce development will ensure we continue fostering the right environment for our world-class employees.”

“Throughout my career, I’ve sought to encourage and inspire employees to foster growth,” Dr. Turner reflected. “I’m certain that our efforts will take the organization to the next level, and I’m thrilled to be part of the team.”