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The MICHIGAN GAMING



Detroit Casinos Report \$105.6 Million in May Aggregate Revenue

According to the April <u>revenues</u> released by the Michigan Gaming Control Board ("MGCB"), the three Detroit casinos reported \$105.6 million in monthly aggregate revenue in May. Table games and slots generated \$104.7 million in revenue, and retail sports betting generated \$893,732 in revenue.

The May market shares were:

- MGM, 47%
- MotorCity, 31%
- Hollywood Casino at Greektown, 22%

Monthly revenue for table games and slots fell 1.4% when compared to May 2022 results. May revenue decreased 4.5% compared to April 2023 results.

When compared with May 2022, monthly gaming revenue results were:

- MGM, \$49.3 million, decrease of 1.4%
- MotorCity, \$32.1 million, decrease of 7.1%
- Hollywood Casino at Greektown, \$23.3 million, increase of 7.4%

The three Detroit casinos paid \$8.5 million in gaming taxes to the State of Michigan, compared to \$8.6 million for the same month last year. The casinos also reported submitting \$12.5 million in wagering taxes and development agreement payments to the City of Detroit in May.

The three Detroit casinos reported \$16,936,055 in total sports betting handle and total gross receipts were \$921,268. Retail sports betting qualified adjusted gross receipts (QAGR) reported for May increased by \$773,382 compared to April 2023. Monthly QAGR fell by 62.6% compared to May 2022.

May QAGR by property were:

- MGM, \$470,510
- MotorCity, \$395,677
- Hollywood Casino at Greektown, \$27,545

The three Detroit casinos reported submitting taxes on retail sports betting in the amounts of \$33,783 to the State of Michigan, and \$41,290 to the City of Detroit for May 2023.

Fantasy contest operators reported total adjusted revenues of \$2.1 million and paid taxes of \$175,204 during April 2023.

For the first 4 months of 2023 fantasy contest operators reported \$8.9 million in aggregate fantasy contest adjusted revenues and paid \$747,830 in taxes.

Michigan Internet Gaming, Sports Betting Operators Report \$185.58 Million in May Revenue

As <u>reported</u> by the Michigan Gaming Control Board ("MGCB"), Michigan commercial and tribal internet casino gaming and sports betting operators reported a combined \$185.5 million total gross receipts in May. May receipts decreased 5.1% when compared to last month's results.

May internet gaming gross receipts were \$150.6 million. Gross sports betting receipts totaled \$35.2 million. In April 2023, internet gaming gross receipts were \$159.4 million and gross sports betting receipts were \$36.3 million.

Combined total adjusted gross receipts of \$157.5 million were reported for May, including \$135.5 million from internet gaming and \$22.0 million for internet sports betting. There is a 5.5% and 10.2% decrease compared to April 2023, however, when compared to May 2022 there is an 18.1% increase and a 2.0% decrease respectively. Total internet sports betting handle was \$288.3 million, decreased 10.7% when compared with April 2023 results of \$322.8 million.

The operators delivered \$29.4 million in taxes and payments to the State of Michigan during May, with internet gaming taxes and fees contributing \$28 million and internet sports betting taxes and fees contributing \$1.4 million.

The three Detroit Casinos – MotorCity Casino, MGM Grand Detroit, and Greektown Casino – reported city wagering taxes and municipal service fees of \$7.6 million, with internet gaming taxes and fees contributing \$7.0 million and internet sports betting taxes and fees contributing \$642,422 for the month of May.

Tribal operators reported making total payments of \$3.4 million of wagering payments to the tribes' governing bodies according to the MGCB.

An online gaming and sports betting revenue distribution <u>table</u> is available on the agency's website.

During May, a total of 15 operators offered internet gaming and internet sports betting Details for each operator's internet gaming and internet sports betting <u>results</u> are available and published on the MGCB website.

MGCB to Receive \$50.7 Million in State Budget Funds

The Michigan Gaming Control Board ("MGCB") will <u>receive</u> \$50.7 million in an agreement reached by the Michigan Legislature on the State's Fiscal Year 2024 budget.

"A well-funded gaming control agency is crucial for ensuring fair and honest gaming in the State of Michigan, preventing fraud and illegal activities, and addressing problem gambling. I sincerely appreciate the support from Governor Whitmer and the Legislature of a budget that will help the MGCB continue its responsible gaming messaging campaign, support our state's growing gaming economy, and allow us to grow our team and make investments into efficient systems that help strengthen our mission and integrity while supporting those we serve," said MGCB Executive Director Henry Williams.

Allocated funding the MGCB will receive as part of the FY2024 budget includes:

- \$3 million of ongoing annual funding will support the continuation of the MGCB's "Don't Regret the Bet" responsible gaming messaging campaign.
- \$2.2 million and 16 full-time equivalent (FTE) staff positions to support new gaming programs.
- \$2 million in one-time funding to create an accounts receivable system that is integrated with an existing internal agency database and the state's financial system, SIGMA.
- \$63,000 to begin compensating MGCB board members, who currently serve on an unpaid volunteer basis, for attending board meetings.

The bipartisan budget agreement is headed to Gov. Gretchen Whitmer's desk for her consideration and signing into law, with funding allocations expected to take effect the start of the FY202 budget calendar, which begins October 1st, 2023.

MGCB to Submit Millionaire Party Rules Amendments to Legislature for Approval

Following issuing draft rules and soliciting input from interested stakeholders, the Michigan Gaming Control Board ("MGCB") recently submitted amendments to the Millionaire Party administrative rules. In addition to technical revisions, the proposed rules increase the amount of chips permitted for each party from \$15,000 to \$20,000 as well as grant the MGCB Executive Director the discretion to determine how many events may be held at a single location and how many days per week there may be events. The proposed rules can be found <u>here.</u>

Interested parties may <u>contact</u> the Joint

Committee on Administrative Rules with any comments or requests for changes to the proposed rules.

Submit Your Nomination for the GGB Gaming & Technology Awards

Don't miss your chance to be part of the gaming industry's most prestigious awards for technology, product, and services. The Global Gaming Business ("GGB") Gaming & Technology Awards recognize and encourage innovation in the rapidly changing gaming industry. Get your nomination in before the upcoming August deadline.

Winners will be announced in the November 2023 issues of *Global Gaming Business* Magazine in each of the following six categories:

- Best Consumer-Service Technology
- Best Productivity-Enhancement Technology
- Best Slot Product
- Best Table-Game Product or Innovation
- Best iGaming Product or Technology
- Best Sports Betting Product or Technology

Start Your Nomination Here

Investigators Seize Alleged Illegal Gaming Equipment at Belleville Gas Station

The Michigan Gaming Control Board ("MGCB") announced in a <u>press release</u> that following a joint investigation by the Michigan Department of Attorney General and MGCB, state investigators with the assistance of the Belleville Police Department seized alleged illegal gambling machine from a Sunoco gas station located in Belleville. A coin-pusher machine was confiscated after persons in charge at the Sunoco failed to comply with a cease-and-desist letter personally served on March 8. The investigation began after the MGCB received anonymous tips from concerned Michigan citizens. "Illegal gambling can lead to other, more serious, unwanted crimes that compromise the safety of our communities. This investigation is a firm reminder that business owners should abide by the law and not offer illegal gaming in their establishments and, if they do, we are prepared to take action against them," MGCB Executive Director Henry Williams said.

The Michigan Penal Code broadly prohibits any kind of gambling except for what is authorized by law. Potential consequences for Michigan businesses operating illegal gaming machines include criminal charges and/or monetary fines.

"I am grateful for the collaboration between my department and the Michigan Gaming Control Board in furtherance of our efforts to shutter illegal gambling operations. Illegal gambling diverts taxes and revenue from our communities which is otherwise used to support our state and schools," said Michigan Attorney General Dana Nessel.

The MGCB is committed to helping communities statewide remove illegal gambling machines from storefront operations, gas stations, and convenience stores. The agency publishes <u>fact</u> <u>sheets</u> about Michigan law and unregulated machines on its website and gives businesses who violate the law opportunities to comply before authorities become involved and have to confiscate equipment and money collected from the illegal operation.

Emerging Leaders of Gaming 40 Under 40 Announces New Selection Committee

The Innovation Group ("TIG") and **Global Gaming Business** Magazine ("GGB") have named the following individuals to its new Selection Committee of industry executives to help identify the next generation leaders with Emerging Leaders of Gaming ("ELG") 40 Under 40.

"We are thrilled to have such an esteemed group of professionals selecting our honorees this year. We have recruited a diverse cross-section of industry executives hoping to reflect the same in our nominations and, ultimately, the 40 outstanding individuals that rise to the top," said The Innovation Group President Michael Soll.

ELG 40 Under 40 New Selection Committee:

- Justin Carter, Senior Vice President, Regional Operations, PENN Entertainment
- Kirsten Clark, Executive Director, International Association of Gaming Advisors (IAGA)
- Alex Dixon, President & CEO, Q Casino and DRA
- Daron Dorsey, Executive Director, Association of Gaming Equipment Manufacturers (AGEM)
- Alan Feldman, Distinguished Fellow in Responsible Gaming, International Gaming Institute at UNLV
- Kelly Hatch, Executive Director, Global Gaming Women (GGW)
- Sheila Morago, COO and Partner, Trilogy Group

Nominations for the ELG 40 Under 40 are open through August 1. This annual recognition was created to support young executives on the path to industry leadership. Members of the industry are annually invited to nominate themselves or a colleague for the ELG 40 under 40, honoring 40 rising stars of the gaming industry under the age of 40.

Are there individuals that come to mind in your organization, individuals that go above and beyond your expectations who are under 40? Have you worked with or noticed someone in the public or private sector on the path to leadership? Do you believe your abilities set you apart from your peers? <u>Submit Your Nomination Now</u>

Individuals named to the list will be recognized during an event at Global Gaming Expo (G2E) this October and individually profiled in GGB throughout the following year. The ELG 40 Under 40 is sponsored by AGEM, IAGA, and Regulatory Management Counselors, and is supported by G2E.