

**August 15, 2024**

**Volume 30, Issue 22**

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A publication of

**RMC Ventures, LLC**

# The **MICHIGAN GAMING** Newsletter



## **Michigan Gaming Control Board Adopts New Resolution**

At the Michigan Gaming Control Board's ("MGCB") August 13, 2024 public meeting the Board passed [Board Resolution 2024-03](#), introducing changes to vendor exemptions and waivers under the [Michigan Gaming Control and Revenue Act](#). According to a [press release](#) from the MGCB, the changes include revisions offering subcontractors greater flexibility by allowing them to provide up to \$500,000 in nongaming-related goods and services to each casino licensee annually, alongside their construction-related services, without the two amounts conflicting.

"This adjustment, known as the 'Subcontractor 2' exemption, aligns with the Board's commitment to fostering a more inclusive and diverse supplier landscape within the Detroit casino industry," noted MGCB Executive Director Henry Williams. "Enabling subcontractors to operate similarly to vendor-exempt businesses brings significant positives for businesses, providing new job opportunities and driving economic growth within the industry."

## **Detroit Casinos Report \$105.9 Million in July Revenue**

According to the July [revenues](#) released by the Michigan Gaming Control Board ("MGCB"), the three Detroit casinos reported \$105.9 million in monthly aggregate revenue in July. Table games and slots generated \$106.3 million in revenue, and negative (\$399,229) from

retail sports betting.

The July market shares were:

- MGM, 48%
- MotorCity, 29%
- Hollywood Casino at Greektown, 23%

The three Detroit casinos paid \$8.61 million in gaming taxes to the State of Michigan. The casinos also reported submitting \$12.7 million in wagering taxes and development agreement payments to the City of Detroit in July 2024.

The Detroit casinos reported \$6.58 million in total sports betting handle and total gross receipts were negative for the month of July.

July QAGR by property was:

- MGM, \$53,435
- MotorCity, negative (\$647,136)
- Hollywood Casino at Greektown, \$194,472

The three casinos submitted taxes on retail sports betting in the amounts of \$9,371 to the State of Michigan, and \$11,453 to the City of Detroit for July 2024, based on their retail sports betting revenue.

In addition to reporting revenue from the three Detroit casinos, the MGCB released revenue numbers from fantasy contest operators.

Fantasy contest operators [reported](#) total adjusted revenues of \$705,341 and paid taxes of \$59,249 during June 2024.

Top revenue generators were:

- DraftKings: \$485,578.04
- FanDuel: \$160,584.24

## **MGCB Selected as a Finalist for the 2024 Global Regulatory Awards**

On August 12, 2024, Executive Director Henry Williams of the Michigan Gaming Control Board (“MGCB”) [announced](#) the agency’s recognition as a finalist in the Global Regulatory Awards’ Regulatory Initiative of the Year (“Award”) category presented by VIXIO Gambling Compliance. The agency was nominated on behalf of their contributions to the fight against illegal gambling within the industry through their Criminal Investigations Section (“CIS”). VIXIO will present awards to the winners at a gala in December of 2024 in London.

Director Williams explained, “In one of the fastest-growing U.S. gaming markets, the MGCB continues to identify and remove casino-style gaming machines from businesses, dismantle illicit gambling operations, and uphold Michigan’s gaming laws... Through strategic initiatives and close collaboration with stakeholders, the agency’s Criminal Investigations Section within the Licensing and Investigations Division conducts regulatory and criminal investigations in coordination with the Michigan Attorney General’s Office, ensuring a safe and responsible gaming environment.”

He further commented, “Ultimately, these actions all collectively contribute to safer communities, deter criminal elements, and uphold public trust in the gaming sector, benefiting both the agency and state citizens alike by contributing to the social welfare and economic prosperity of the Great Lakes State.”

In the last year, the MGCB CIS issued a total of 26 warning letters to residents determined to be conducting illegal gambling via social media. In addition five unlicensed online gambling websites and 64 businesses were sent cease-and-desist letters from the CIS. The MGCB has also seized 79 illegal gambling machines, convicted nine individuals criminal gambling charges, closed seven illegal gambling sites, and brought charges against 29 individuals through the MGCB’s partnership with the Michigan Attorney General’s Office. These accomplishments are what pushed the MGCB into the top six of the Award finalists.