September 20, 2024

Volume 30, Issue 25

For more information on Michigan's gaming industry, please visit www.michigangaming.com

Editor in Chief

J.J. Burchman, Esq.

Phone: 517.999.5414

burchman@rmclegal.com

Senior Gaming Analyst & Editor Robert R. Russell, II Phone: 517.507.3858 russell@rmclegal.com

Associate Editor **David D. Waddell, Esq.**Phone: 517.507.3859

waddell@rmclegal.com

Associate Editor
Randy G. Gross, Esq.
Phone: 517.999.5416
rgross@rmclegal.com

News Reporter
Carlie Shaw
cshaw@rmclegal.com

Production Coordinator
Christina M. Morris
cmorris@rmclegal.com

Subscription information: info@michigangaming.com

A publication of **RMC Ventures, LLC**

The MICHIGAN GAMING Newsletter



Michigan iGaming, Sports Betting Operators Report \$224.02 Million in August Revenue

As <u>reported</u> by the Michigan Gaming Control Board ("MGCB"), Michigan commercial and tribal internet gaming ("iGaming") and sports betting operators reported a combined \$224.02 million total gross receipts in August. August receipts increased 1.4% when compared to last month's results.

August iGaming gross receipts were \$196.66 million. Gross sports betting receipts totaled \$27.36 million. In July 2024, iGaming gross receipts were \$191.44 million and gross sports betting receipts were \$29.42 million.

The combined total adjusted gross receipts of \$193.2 million were reported for August, including \$176.9 million from iGaming and \$16.3 million from internet sports betting – representing an iGaming increase of 2.7% and an increase of 5.2% for sports betting when compared to July 2024.

Total August internet sports betting handle was \$280.1 million, a increase of 11.9% from the \$250.2 million result in July 2024.

The operators delivered \$37.77 million in taxes and payments to the State of Michigan during August, with iGaming taxes and fees contributing \$36.9 million and internet sports betting taxes and fees contributing \$874,501.

The three Detroit Casinos – MotorCity Casino, MGM Grand Detroit, and Greektown Casino – reported city wagering taxes and municipal service fees of \$9.39 million, with iGaming taxes and fees contributing \$9.1 million and internet sports betting taxes and fees contributing \$287,107 for the month of August.

Tribal operators reported making total payments of \$4.6 million of wagering payments to the tribes' governing bodies in August according to the MGCB.

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

As of August, a total of 15 commercial and tribal operators have been authorized to launch iGaming and/or internet sports betting. Currently, 12 commercial and tribal operators offer internet sports betting, and 15 operators offer iGaming. Details for each operator's internet gaming and internet sports betting <u>results</u> are available and published on the MGCB website.

Southfield Man Faces Eight Felony Counts for Gambling Violations

A Southfield man, Jeffrey Saco, is facing eight felony charges related to significant gambling violations in Michigan. The Michigan Gaming Control Board ("MGCB") announced the charges following an extensive investigation with the Michigan Department of Attorney General. These actions were prompted by a report from Caesars Entertainment regarding fraudulent activities linked to Saco's mobile betting account.

In April 2023, Saco, 38, allegedly exploited a system vulnerability to make over \$2 million in fictitious deposits into his Caesars sportsbook account. He placed nearly 10,000 bets within a mere 16 days, wagering more than \$88 million, before transferring more than \$521,000 into his personal account and ceasing all activity on the platform.

"The Michigan Gaming Control Board takes the enforcement of gambling laws and regulations very seriously in this state," MGCB Executive Director Henry Williams said. "To that end, I appreciate the collaborative partnership the agency has with the Michigan Attorney General's Office and industry personnel at Caesars Entertainment—who initially notified about this situation. It is important to remember that this individual who is facing charges has the right to due process and is presumed innocent until proven guilty. With that being said, we will now let the judicial system determine the truth in this matter and the veracity of the charges."

Saco is facing charges including:

- Larceny by Conversion (1 count): Potentially up to 10 years in prison for embezzling over \$20,000.
- Gambling Activity-Felony Violation (3 counts): Each count carries a maximum penalty of 10 years in prison or a fine of up to \$100,000.
- Using a Computer to Commit a Crime (4 counts): Each charge could lead to 10-20 years of imprisonment and/or a \$10,000 fine.

"My office not only works alongside the Michigan Gaming Control Board to enforce

our state laws prohibiting illegal gaming operations, we also partner to prosecute criminals taking advantage of legitimate gaming venues. I appreciate our partnership with the Michigan Gaming Control Board and share their dedication to enforcing our state's gaming laws," said Michigan Attorney General Dana Nessel.

Saco was arrested on Sept. 4 and later released on a \$500,000 personal bond. A preliminary examination hearing is scheduled for Oct. 4.

The MGCB encourages citizens to report any suspected illegal gambling activities by calling 1-888-314-2682 or emailing MIGamblingTip@michigan.gov.

MGCB Double Down Michigan Podcast: Episode 21 with Bill Miller

In the latest episode of .the <u>Double Down</u> <u>Michigan Podcast</u>, host Henry Williams host Henry Williams, Executive Director of the Michigan Gaming Control Board ("MGCB"), sits down with Bill Miller, President of the American Gaming Association ("AGA"). This insightful conversation delves into critical issues facing the gaming industry, particularly the challenges of illegal gaming and the importance of a regulated market.

Miller sheds light on the staggering figure of \$510.9 billion that Americans bet illegally each year and discusses how the AGA is working to support states with legalized gaming. Listeners will gain valuable insights into the evolution of the gaming landscape and what the future holds for both policymakers and industry insiders.

Don't miss <u>episode 21</u>: Betting Big on Integrity: A Conversation with the AGA on Gaming Regulation. Tune in to learn how integrity plays a crucial role in the future of gaming.

Listeners can access the Double Down Michigan podcast on platforms, as well as on the MGCB's website. Subscribe to Double Down Michigan for more updates on gaming trends and regulations.