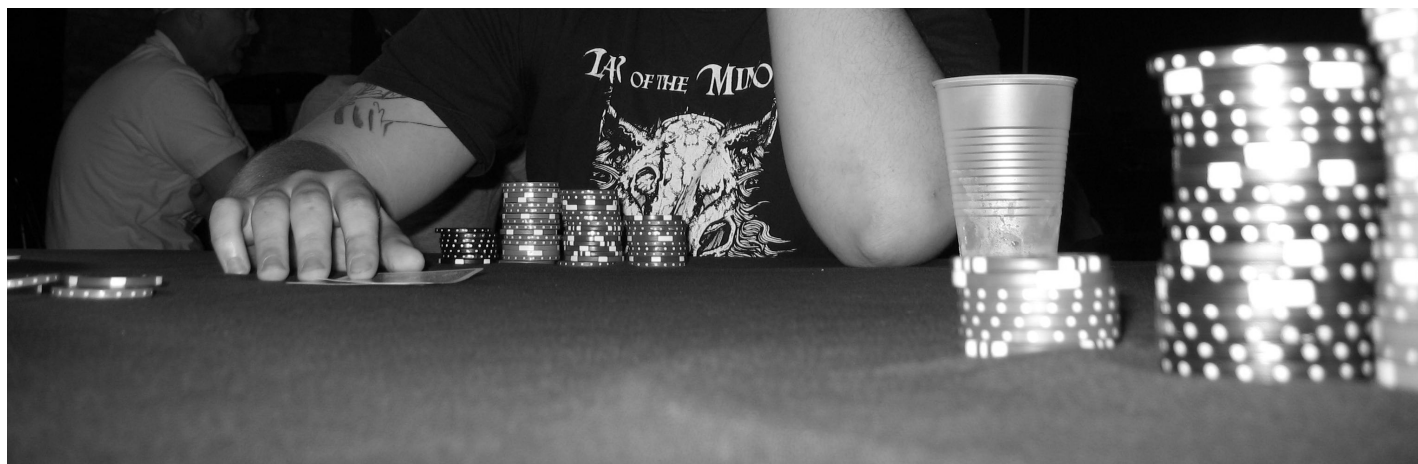


Texas Hold'em Edition



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The Lure of Texas Hold'em

According to Wikipedia, the Internet's primary encyclopedia resource, Texas Hold'em is the most popular poker game in the casinos and poker card rooms across North America and Europe, as well as online. Hold'em is a community card game where each player may use any combination of the five community cards and the player's own two hole cards to make a poker hand, in contrast to poker variants like stud or draw where each player holds a separate individual hand.

After slow but steady gains in popularity throughout the 20th century, Hold'em's popularity surged in the 2000's due to exposure on television, on the Internet and in popular literature. During this time Hold'em replaced Seven Card Stud as the most common game in U.S. casinos, almost eclipsing the once popular game. The no-limit betting form is used in the widely televised main event of the World Series of Poker (WSOP) and the World Poker Tour (WPT).

Because each player starts with only two cards and the remaining cards are shared, it is an excellent game for strategic analysis (including mathematical analysis). Hold'em's simplicity and popularity have inspired a wide variety of strategy books which provide recommendations for proper play. Most of these books recommend a strategy that involves playing relatively few hands but betting and raising often with the hands one plays.



Melissa Cousineau | The Flint Journal

Licensing Your Texas Hold'em Event



Organizations that have been qualified through the Charitable Gaming Division may apply for a millionaire party license to conduct Texas Hold'em.



A millionaire party license costs \$50 for each day of the event. Events may be up to four consecutive days long.

The quickest way to obtain a Millionaire Party License Application is off our website at www.michigan.gov/cg. Select the link to millionaire party, then application.



A qualified organization may hold only four millionaire parties each calendar year.



FAQ's for Organizations

1. *What do we need to know before we conduct Texas Hold'em?*
 - a. Are you a qualified organization? If not, go to our website at www.michigan.gov/cg and select Qualification Requirements from the left menu. Review the various organizations types listed under Purpose to determine which one fits your organization. Submit all required documentation for your organization type. If you are sending your qualification information without a license application, it's important that you include a cover letter with the principal officer's name and address.
 - b. Determine where you want to conduct your event. Using the website's Millionaire Party Locator is a great way to see which locations may be available to rent in your area.
 - i. If your location is being rented, a location rental agreement must be submitted along with the application.
 - ii. If your equipment is donated, provide a written agreement itemizing everything that is being donated; ensure the agreement is signed by both parties.
 - c. Complete the millionaire party application. The event date given on the millionaire party application should be at least 8-10 weeks in the future.
 - d. Ensure you have bona fide members available to be at the event from start to finish handling all cash, chips, and completing the game records.
 - e. Read all the FAQ's and review the rules and directives to be better prepared for your event.
2. *Can Texas Hold'em be conducted at a bar?*

Yes. A millionaire party may be conducted by a qualified organization at a bar or any other location. Keep in mind that a location owner or lessor, or any agent or employee of the location owner or lessor, may **not**:

 - a. Participate in the management of your event (e.g., handle cash, chips, or complete game records.)
 - b. Play or deal at that location.
 - c. Be an officer of a qualified organization conducting an event at that location.
3. *I am a 501(c) - am I qualified to hold Texas Hold'em?*

Possibly. The determination letter from the IRS stating you are a 501 (c) is only one of many documents needed for qualification. Please follow the instructions in question 1a.
4. *I was told I need a six-digit ID number to hold Texas Hold'em. How do I get one?*

The six-digit organization identification number is assigned to an organization when an organization starts the qualification process. Having an organization ID does not mean you are qualified, it is simply a way to identify each organization. You will receive a letter from the Bureau advising you if your organization becomes qualified.
5. *What is the fee for a millionaire party license?*

The license fee is \$50 per day. For example, a four-day license fee is \$200.
6. *Is there a limit on the number of Texas Hold'em events we can conduct?*

Yes. A charity is limited to four millionaire party licenses per calendar year. A millionaire party license may be issued for four consecutive days at one location.
7. *What games can we conduct under the millionaire party license?*

Authorized games are:

 - a. Let it Ride
 - b. Tournament Texas Hold'em
 - c. Fixed Limit Texas Hold'em
 - d. Seven Card Stud
 - e. Omaha Hi Lo
 - f. Blackjack
 - g. Roulette
 - h. Dice games (craps)
 - i. Raffles
8. *Is there a limit on the amount of money we can receive in one day of a millionaire party?*

Yes, \$15,000.
9. *Do all of the workers at the event have to be members of the organization?*

No. However, only bona fide members of the organization may handle cash, chips, or complete the game records.
10. *Our organization is governed by a board of directors and does not have general membership. Do the members of the board of directors have to work at the millionaire party?*

Yes. If membership of the organization is not specified in the bylaws, the members of the board of directors are the only persons who may handle cash, chips, and complete the game records.
11. *Can we give our workers \$10 so they can go to a restaurant after they are done working?*

No. The workers may only receive food and beverages consumed while working.
12. *If the chairperson and record keeper do not accept pay can they donate their pay to increase the dealers or workers pay?*

No. The maximum amount a worker can receive is \$50 per day.
13. *Who is responsible for filing our financial statement?*

The organization is solely responsible for filing the financial statement, which must also be signed by the principal officer.

FAQ's for Locations

1. *I own a bar and I want to hold Texas Hold'em. How do I do that?*

There is a moratorium on any new locations.

2. *Can I help run the Texas Hold'em event?*

You may assist in the operation of an event, however you may **not**:

- Participate in the management of an event (e.g., handle cash, chips, or complete game records).
- Play or deal at your location.
- Be an officer of a qualified organization conducting an event at your location.

3. *How do I find charities that will hold events at my location?*

Local newspapers, the phone book, and internet websites, such as guidestar.org are all useful tools in finding non-profit organizations based in Michigan. (Keep in mind that if an organization has not held a gaming license in the last five years, they may be required to re-qualify before receiving a license, which can easily take 10 weeks or more.) Remember, not all non-profit organizations qualify for licensing.

4. *What do I have to include in my rental agreement with the charities?*

All terms and conditions of the location rental must be in the rental agreement, including, but not limited to:

- The name and address of the location being rented.
- The name of the lessee (nonprofit organization).
- The event dates.
- Any equipment provided.
- Any other services included (e.g. training, operational assistance, advertising, etc.).

- The following required fee language: "The fee shall not exceed 50% of the gross profit less all expenses (except license fee), including, but not limited to, worker pay, advertising, food for workers, equipment rental, etc. Gross profit is defined as total revenue minus prizes and chip redemptions." No variations of this language will be approved.
- Original signatures of both parties.

5. *I am a location and I want to find out the status of a license that an organization has applied for, how do I do that?*

If you know the organization's six-digit Charitable Gaming organization ID number, you may visit our website at www.michigan.gov/cg, click on License Application Status Lookup, enter the required information, and click on Look Up Application Status. If the results indicate an application is being processed, you may check back in a week or two. Any further inquiries must be made by the organization.

FAQ's for Suppliers

1. *The supplier we are renting the equipment from has offered to help us run our millionaire party. Is this permitted?*

Yes, suppliers may assist with the operation of the game, however, they and their agents and employees, may **not**:

- Participate in the management of an event (e.g., handle cash, chips, or complete game records).
- Play or deal at an event in which that supplier is providing equipment and services.
- Be an officer of the qualified organization conducting the event using that supplier's equipment or services.

2. *Can a licensed supplier advertise a millionaire party?*

No. Suppliers are prohibited from advertising a licensed gaming event.

3. *Can I be a supplier and a location owner?*

No. The Bingo Act states that a supplier shall not be involved directly or indirectly with the rental or leasing of a facility used for an event.



Photograph by Lad Strayer



6. *Can I charge a minimum or reservation fee?*
No.
7. *Can I charge a cancellation fee?*
Yes, but it must be stated in the rental agreement.
8. *Can I be a supplier and a location owner?*
No, the Bingo Act states that a supplier shall not be involved directly or indirectly with the rental or leasing of a facility used for an event.
Example 1: A supplier may not provide the location as part of their supplier fees and it may not be included on the supplier price list.
Example 2: A supplier may not pay any type of fee (cleaning, utilities, parking, etc.) to the location owner for the use of the space.
9. *I am helping an organization get qualified to hold poker at my location, what do they need to do?*
You should instruct the organization to visit our website at www.michigan.gov/cg and click on the Qualification Requirements tab. If the organization does not know which category they qualify under or has additional questions, they should contact our office at (517) 335-5780.
10. *Can a location owner advertise the millionaire party?*
Yes. If the location is going to advertise an event it must be stated in a Bureau approved rental agreement and shall include:
 - a. The name of the licensee.
 - b. The license number.
 - c. The purpose for which the proceeds will be used.
11. *What information can I post on a sign in front of my establishment?*
You may place a generic message on the sign such as "Charity Poker Room" with no further requirement. However, if any specific information is posted (e.g. days, dates, times, games, game program information, etc.) you must also include:
 - a. The name of the licensee.
 - b. The license number.
 - c. The purpose for which the proceeds will be used.
 If you have additional advertising questions, please review the Advertising Licensed Gaming Events by Locations directive.
12. *Can two or more licensees share a location?*
Yes. Each licensee must:
 - a. Complete their own game forms,
 - b. Deposit their entire proceeds into their own bank account.
 - c. Use clearly distinguishable chips.
13. *If two licensees share a location, can both licensees pay the dealers?*
No. A worker/dealer can only be paid by one licensee per day at that location.
14. *Can I prohibit the charities from paying their members for volunteering to work the millionaire party?*
Yes, but it must be stated in the rental agreement.



DEALERS...

- Do not have to be members of the organization.
- May not play on days they are working.
- May be paid up to \$50 per day.
- May not accept tips.

Problem Gambling

Judy Herriff, Executive Director, Michigan Association on Problem Gambling

The Michigan Association on Problem Gambling (MAPG) is a non-profit organization of therapists, researchers, recovering gamblers and community citizens with a heartfelt concern for problem gamblers. We are the state affiliate of the National Council on Problem Gambling (www.ncpgambling.org). Both organizations take a neutral stance on gambling. According to the 2006 prevalence study conducted by David J. Hartmann, Ph.D. of Western Michigan University for the Michigan Department of Community Health, Office of Drug Control Policy, 98% of Michigan citizens who participate in some form of gambling experience no negative impact on their lives. Our concern is for the 2% who acknowledge a gambling problem causing serious personal and family hardships. This means at least 146,850 Michigan residents eighteen years of age and older—or roughly 1 of every 110 citizens—are problem (severe) or pathological (more severe) gamblers.

The Charity Gaming Division of the Michigan Lottery issued 4,000 millionaire party licenses during fiscal year 2008 in which 200 charities raised \$10.5 million. Many adults enjoyed these games while helping support a non-profit organization. MAPG has three concerns about these charitable gaming events:

1. Anyone 18 years or older can purchase chips at a Millionaire Party. There may be several gaming rooms with multiple license holders sponsoring events in the same establishment at the same time. If the gambler moves from room to room or drives to another establishment they may lose several hundred or even several thousand dollars in one night. MAPG is concerned that the bulk of the profits to the organization may not come from the 98% of gamblers who have a casual, non-harmful relationship with gambling but from the 2% who have a problem. MAPG would like to explore with you ways of getting information to the problem gamblers about services available from the State.
2. Some of these gaming rooms are in establishments very close to college and university campuses. 18-year-olds may be considered adults in some legal transactions but they are still in the high “risk taking” developmental stage. Many are convinced that they are invincible. Some of them have already been playing poker in home games, which are illegal, for several years. Studies from five states and Canada show that gambling addiction rates of adolescents are twice those of adults. So while a school may be raising funds for music or sports programs, a student’s financial ability to participate may be compromised by the very activity that raised the funds.
3. A casino within 10 miles of home has a significant effect on problem gambling and is associated with a 90 percent increase in the odds of becoming a problem or pathological gambler, according to research from the University at Buffalo’s Research Institute on Addictions in June 2005. The Charity Gaming Division noted that 80 locations statewide regularly hosted millionaire party events during 2008 and that number is growing precipitously.

My goal for submitting this article for HIGHLIGHT\$ is to increase awareness to those involved with Texas Hold’em and to encourage proactive measures to provide resources to your players so those who need help can get it. Rack cards are available, which list some of the warning signs along with the Michigan 24-Hour Gambling Help Line. To request a supply of the rack cards and other helpful information, contact jherriff@gmail.com.

Resources:

Michigan Department of Community Health
Office of Drug Control Policy
www.michigan.gov/odcp

Michigan Association on Problem Gambling
www.michapg.com

**Gambling more
than you can
afford to lose?**

**Help is available.
24 hours a day
by calling**

1-800-270-7117

MAPG
MICHIGAN ASSOCIATION ON PROBLEM GAMBLING



ADMINISTRATIVE ACTION

In accordance with the act, the entire net proceeds of a licensed gaming event shall be devoted exclusively to the lawful purposes of the licensee.

Suspensions

Organization Name	City	Violation(s)	Length	Date	License
KIWANIS CLUB OF SHOREWOOD	St. Clair Shores	Failure to maintain accurate/current records; exceeding chip sales limit.	11 mos.	1/26/09	Millionaire Party
AMERICAN LEGION 179	Grandville	Failure to maintain accurate/current records; failure to account for all funds.	6 weeks	1/11/09	Annual CGT
VFW 9455	Owosso	Failure to maintain all financial records; failure to account for all funds.	2 weeks	1/11/09	Annual CGT
MOOSE 1570	Benton Harbor	Failure to maintain accurate/current records; failure to account for all funds.	12 weeks	1/11/09	Annual CGT
MILFORD HIGH SCHOOL BAND PARENTS	Milford	Failure to maintain accurate/current records; failure to account for all funds.	3 weeks	1/25/09	Bingo
MOOSE 1939	Greenville	Failure to maintain accurate/current records; worker pay records inaccurate and/or workers overpaid; exceeding chip sales limit.	10 mos.	3/6/09	Millionaire Party
MOOSE 1620 WOMEN	Greenville	Failure to maintain accurate/current records; worker pay records inaccurate and/or workers overpaid.	7 mos.	3/6/09	Millionaire Party
STRATEGIC PARTNERS IN COMMUNITY ATHLETIC DEVELOPMENT	West Bloomfield	Improper cash payments; workers overpaid; failure to maintain accurate/current records.	2 1/2 mos.	3/13/09	Millionaire Party
FARWELL LABOR DAY COMMITTEE	Farwell	Failure to have financial records; failure to maintain accurate/current records; exceeding chip sales limit; failure to account for all funds.	9 1/2 mos.	3/17/09	Millionaire Party
LITTLE LEAGUE BIG LEAGUE DIVISION DISTRICT 9	Wyoming	Illegal gambling.	9 1/2 mos.	3/17/09	Millionaire Party
ROUNDERS POKER & GAMING SUPPLIES	Rockford	Illegal gambling.	2 weeks	3/7/09	Supplier
DETROIT SKATING CLUB	Bloomfield Hills	Failure to file a financial statement in a timely manner; failure to maintain accurate/current records; worker pay records inaccurate and/or workers overpaid; failure to deposit proceeds in a timely manner.	6 mos.	3/26/09	Millionaire Party
PNA 54	Northville Township	Improper cash payment; failure to maintain accurate/current records; worker pay inaccurate and/or workers overpaid.	2 mos.	3/27/09	Millionaire Party
K OF C 1536 4TH DEGREE ASSEMBLY	Plymouth	Failure to have financial records; failure to maintain accurate/current records; worker pay inaccurate and/or workers overpaid; failure to deposit proceeds in a timely manner.	6 mos.	3/27/09	Millionaire Party
MID MICHIGAN CHILDREN'S MUSEUM	Saginaw	Playing an unauthorized game; failure to maintain all financial records; failure to maintain accurate/current records; unauthorized persons handling chips and cash; failure to deposit proceeds in a timely manner; failure to account for all funds.	5 1/2 mos.	4/13/09	Millionaire Party
MARINE CORPS LEAGUE AUXILIARY DEPARTMENT OF MICHIGAN	Grand Blanc	Playing an unauthorized game; failure to maintain all financial records; failure to maintain accurate/current records; workers overpaid; unauthorized persons handling chips and cash; failure to deposit all proceeds; payment of unreasonable millionaire party expense; failure to account for all funds.	8 1/2 mos.	4/14/09	Millionaire Party
MARINE CORPS LEAGUE DEPARTMENT OF MICHIGAN	Mt. Morris	Playing an unauthorized game; failure to maintain all financial records; failure to maintain accurate/current records; unauthorized persons handling chips and cash; failure to deposit all proceeds; payment of unreasonable millionaire party expense; failure to account for all funds.	11 1/2 mos.	4/14/09	Millionaire Party
VFW 830	Grand Rapids	Failure to maintain accurate/current records; failure to deposit proceeds into licensee's financial account; exceeding chip sales limit.	8 1/2 mos.	4/14/09	Millionaire Party
K OF C 4513	Garden City	Failure to maintain accurate/current records; worker pay inaccurate and/or workers overpaid; failure to deposit proceeds in a timely manner.	5 1/2 mos.	4/17/09	Millionaire Party
K OF C 5446	Flat Rock	Failure to maintain accurate/current records; improper cash payments; workers overpaid; payment of unreasonable millionaire party expense.	8 mos.	5/5/09	Millionaire Party
DEARBORN FIREFIGHTERS BURN DRIVE	Dearborn	Failure to maintain accurate/current records; failure to deposit proceeds in a timely manner; improper cash payments; failure to notify the bureau of license changes.	8 mos.	5/5/09	Millionaire Party
DEMOCRATIC EXECUTIVE COMMITTEE CALHOUN COUNTY	Albion	Failure to maintain all financial records; failure to follow the bureau's directive for electronic bingo cards; failure to deposit proceeds in a timely manner; failure to be accountable for all bingo cards; workers overpaid; failure to account for all funds; violation of probation.	5 weeks	5/17/09	Bingo



AREA TRAINING MEETINGS

The Charitable Gaming Division conducts training sessions to provide the most current information to our licensed organizations. Organizations conducting a Texas Hold'em are strongly encouraged to attend one of the following sessions, which are scheduled noon-4 p.m.

July 13, 2009
American Legion Flint Council
4314 Carpenter Road
Flint, MI

August 12, 2009
VFW 1138
400 Jones Ave
Monroe, MI

September 17, 2009
American Legion 349
334 S. M-35
Little Lake, MI

October 21, 2009
The Ball Joint
4720 Beckley Road
Battle Creek, MI

November 10, 2009
Eagles 3306
2335 West Sherman Blvd
Muskegon, MI

Compulsive gambling can be treated. If you, a family member, co-worker, or a friend need help or would like to learn more about problem gambling and the programs available, please call the Michigan 24-hour Help Line at 1-800-270-7117.