



Rick Snyder
GOVERNOR

STATE OF MICHIGAN
MICHIGAN GAMING CONTROL BOARD
DETROIT

Richard Kalm
EXECUTIVE DIRECTOR

November 26, 2013

EMERGENCY ORDER OF SUMMARY SUSPENSION
PENDING FURTHER INVESTIGATION

Under Executive Order 2012-4, the Executive Director of the Michigan Gaming Control Board was transferred all authority, powers, duties, functions, records, and property of the Lottery Commissioner, and Bureau of State Lottery, related to the licensing and regulation of millionaire parties under the Bingo Act and its promulgated rules. MCL 432.101 *et seq.* In conformance with this obligation, the Executive Director has conducted an investigation at 6340 N. Genesee Road, Flint, Michigan which is a location known as Lucky's Poker Room, Lucky's Bingo Hall, Shamrock's Tavern, and Shamrock Internet Café. The investigation remains pending, but it has already revealed material violations of state law, necessitating an emergency order of suspension of all licensed millionaire party events at this location.

Section 16 of the Bingo Act (the Bingo Act), MCL 432.116, provides in part that a license may be summarily suspended for a period of not more than 60 days when the act and rules have been violated.

Lucky's Poker Room, Lucky's Bingo Hall, Shamrock's Tavern, and Shamrock's Café, Inc. (a.k.a. Shamrock's Internet Café) are located at 6340 N. Genesee Rd. Flint, Michigan and have title ownership as Pine Meadows Plaza, LLC. Pine Meadows Plaza, LLC is owned by Michael Joubran. Thomas Joubran, son of Michael Joubran, is the resident agent for Shamrock's Café, Inc. and the operator, resident agent and contact person for Lucky's Poker Room and Lucky's Bingo Hall. Michael Joubran signs the lease agreements with the various charitable organizations licensed to conduct millionaire party events at Lucky's Poker Room.

Shamrock's Café is located inside Lucky's Poker Room and both are utilizing the same liquor license (i.e. liquor license issued under 465 Buggy's Inc. d/b/a Shamrock's Tavern with Michael Joubran as the registered agent).

Shamrock's Café is illegally receiving money from customers in exchange for chances to win cash prizes by playing computer-based casino-style games. The investigation has revealed that on numerous separate occasions between August and October 2013, customers purchased "credits," played computer-based casino-style games, and

were then paid cash for the “credits” accumulated or remaining. This constitutes the operation of an illegal gambling house and, thus, is a public nuisance. MCL 750.301-315; MCL 600.3801.

On Monday, November 18, 2013, a search warrant was issued by District Court Judge Larry Stecco of the 67th District Court in Michigan finding probable cause that Shamrock’s Café was engaged in the operation of illegal gambling. This search warrant was issued upon affidavit of a Michigan State Police Detective.

To enter Shamrocks Café you must enter through Lucky’s Poker Room. Lucky’s Poker room is a location wherein licensed millionaire party events occur under authority of the Bingo Act and rules. Employees or agents of Shamrock’s Café wear Lucky’s Poker Room shirts when waiting on customers. Employees or agents of Shamrock’s Café bring customers alcoholic beverages from the bar located in Lucky’s Poker Room.

Section 18(1)(a) of the Michigan Gaming Control and Revenue Act (the Gaming Act), MCL 432.218(1)(a) prohibits a party from conducting a gambling operation without a license issued by the Michigan Gaming Control Board. A party who operates an unlicensed gambling operation is guilty of a felony punishable by imprisonment for up to 10 years or a fine of up to \$100,000.00, or both. MCL 432.218(1)(a).

The Michigan Penal Code, specifically, MCL 750.301 prohibits accepting money with the understanding that money will be paid to any person contingent upon the happening of an uncertain event. Further, the Penal Code prohibits keeping or occupying a building used for gambling, MCL 750.302; keeping or maintaining a gaming room, gaming table, or game of skill for hire, gain, or reward, MCL 750.303; using a computer program, computer, computer system, or computer network to commit a crime, MCL 752.796; promoting a lottery for money, MCL 750.372(1); and setting up or aiding in the setting up, managing, or drawing of a lottery or gift enterprise, *id.* Receiving money from customers in exchange for chances to win money violates the Penal Code.

Shamrock’s Café is also violating the Consumer Protection Act (CPA) by promoting and falsely representing to the public that its business is legal. Section 3 of the CPA, MCL 445.903(1)(a), prohibits representations that cause a probability of confusion or misunderstanding as to their approval. A persistent and knowing violation of this law may result in a court assessing a civil penalty of \$25,000, along with costs and attorney fees, in favor of the Attorney General. See MCL 445.905.

The liquor licensee for the location at 6340 N. Genesee Road (465 Buggy’s Inc. which encompasses Shamrock’s Tavern, Shamrock’s Internet Café, Lucky’s Poker Room and Lucky’s Bingo Hall) is in violation of the Liquor Control Code as unlawful gambling on licensed premises is strictly prohibited by law. MCL 436.1901(2).

To conduct licensed millionaire parties at this location, the licensee and lessor/location owner must be in compliance with all laws of the state of Michigan and public policy. R 432.21103 and 432.21206(1)(a). Because of the illegal activity at

this location, immediate action to protect the safety, welfare, and integrity of gaming is necessary.

Wherefore, I conclude that to advance the public policy of prohibiting all gambling activities not conducted in strict conformance with the expressed legislative exceptions, include the regulatory framework established in the Bingo Act and its rules, it is necessary to summarily suspend millionaire party gaming at this location. R 432.21111(1).

Wherefore, I further conclude that it is necessary to immediately suspend and cease licensed millionaire party gaming events because the lessor and/or agents or employees of Pine Meadows Plaza, LLC, Shamrock's Tavern, Shamrock's Internet Café, Lucky's Poker Room and Lucky's Bingo Hall are engaged in an act, practice, or course of conduct that would operate as a fraud or deceit on a person or persons or has employed a device, scheme, or artifice to defraud a person or persons. R 432.21111(1)(c).

Wherefore, I further conclude that the lessor and/or agents or employees of Pine Meadows Plaza, LLC, Shamrock's Tavern, Shamrock's Internet Café, Lucky's Poker Room and Lucky's Bingo Hall have engaged in illegal gambling. R 432.21111(1)(f).

Wherefore, I further conclude that it is necessary to immediately suspend and cease the licensing of millionaire party gaming events to protect or preserve the welfare of the community within which these activities are being conducted, and for the protection or preservation of public policy of the state of Michigan, or any other local, state, or federal law or regulation banning unlawful gaming activity. R 432.21111(1)(g).

THEREFORE, based upon the forgoing reasons, the license(s) of _____ for events occurring on _____ ARE HEREBY ORDERED SUSPENDED IMMEDIATELY.

IT IS SO ORDERED.

/s/

Richard Kalm
Executive Director
Michigan Gaming Control Board

Date