

STATE OF MICHIGAN
MICHIGAN GAMING CONTROL BOARD

PUBLIC MEETING – VIA ZOOM MEETING
Cadillac Place
3062 W. Grand Blvd., Suite L-700
Detroit, Michigan 48202

December 14, 2021, 9:30 a.m.
MEETING MINUTES

On Tuesday December 14, 2021, the Michigan Gaming Control Board held a public meeting, via Zoom, at the Board's office in Cadillac Place, 3062 W. Grand Boulevard, Suite L-700, Detroit, Michigan 48202.

Present: In attendance were the following Board Members:

Linda Forte, Chair
Mr. Andrew Palms
Deidre Lambert-Bounds
Joni Thrower-Davis

Also attending:

Henry Williams, Executive Director
Diane Brown, Board Analyst
Mr. Gerald Whalen, Assistant Attorney General
Mr. Jason Geissler, Assistant Attorney General
D/F/Lt. Marcus Trammel, MSP

Business:

Ms. Forte called the meeting to order at 9:35 a.m. and all Board Members were present.

There was no preliminary business to discuss.

Ms. Forte stated the first order of business was to approve the minutes from the Board's regular public meeting held October 12, 2021. It was noted Board Members previously received copies of the minutes. Board Members were asked if there were any questions, concerns, or corrections; there were none.

A motion was made by Mr. Palms and supported by Ms. Lambert-Bounds that the Board accept and approve the minutes of the October 12, 2021, regular public meeting. A roll call vote was taken. Motion carried.

Mr. Williams presented his report to the Board stating since the last board meeting seven new employees were hired, and two resigned their positions with MGCB. MGCB has 144 full-time employees and 26 vacant positions.

Regarding the Board's budget, as of November 30, 2021, total expenditures were \$2,747,714 leaving an unexpended balance of \$30,706,882 in appropriated funding for fiscal year 2022,

which includes funds for anticipated expenditures to the Attorney General's Office and the Michigan State Police.

Mr. Williams reported the three Detroit commercial casinos continued to operate at full capacity on a 24-hour-per-day, 7-day-per-week basis.

For casino operations, in October and November 2021, the casinos reported \$114.1 million in monthly aggregate revenue in October and \$108.19 million monthly aggregate revenue in November.

For the months ending October 31, 2021, and November 30, 2021, gaming taxes for the three Detroit casinos was \$17.4 million compared to \$9.5 million for the same period in 2020.

The three Detroit casinos reported paying the State of Michigan \$263,602 million in retail sports betting taxes. For October and November 2021, the three Detroit casinos reported paying the City of Detroit \$36.8 million in wagering taxes and development agreement payments, compared to \$16.9 million for the same period in 2020.

For the months of October and November 2021, the three Detroit casinos reported paying the City of Detroit \$322,180 in retail sports betting taxes.

Mr. Williams reported revenue from the Lawful Sports Betting Act and Lawful Internet Gaming Act for January through October 2021 of \$862.7 million in adjusted gross receipts. Of the \$862.7 million, \$797.5 million was from internet gaming and \$65.2 million from internet sports betting. For January through October 2021, \$164.2 million in state taxes and payments; \$153.9 million from internet gaming and \$4.9 million from internet sports betting have been paid. City of Detroit received \$44 million from internet gaming and \$2.8 million from internet sports betting for a total of \$46.8 million in taxes and fees. Tribal operator's payments through October were \$17.5 million. Mr. Williams then informed the Board of the Hold Harmless agreement clause regarding payment from the Internet Gaming fund to the City of Detroit if the City does not receive \$183 million in tax payments during the fiscal year; a payment of \$40,510,601 was made on October 14, 2021.

Mr. Williams informed the Board that since the October public meeting, the employee licensing section completed required background investigations of 136 pending level one and level two occupational license applications, 36 level three license applications, and 288 license renewal requests. Mr. William stated he previously approved the 288 renewal requests and the 36 level three applications. The remaining 136 level one and level two requests were part of the Board's agenda for this meeting.

Mr. Williams then went on to explain the new law signed in October 2020, regarding Disassociated Persons. Public Act 225 of 2020 signed by the Governor, allows Disassociated Persons to request removal from the lifetime ban after five years on the list. Currently there are 4,218 individuals on the list. As of December 7, 2021, the Board has received 848 applications seeking removal. Of those, 745 requests have been approved (12 have requested placement back on the list), and 49 requests were denied due to the applicants either not being eligible or not responding to information requested from the board. The remaining 42 requests are currently under review.

Regarding the Responsible Gaming Database (RGD), which created a statewide responsible gaming database, as of December 7, 2021; there have been 85 applications requesting placement in the RGD. Seventy participants have been placed on the Internet Gaming list and

sixty-six have been placed on the Internet Sports Betting list. Twelve applications received were incomplete and were returned for additional information.

Mr. Williams informed the Board that effective December 2019, the Gaming Control and Revenue Act was signed into law which allows the board to consider a waiver of misdemeanor convictions of at least ten years old for occupational license applications. This is providing the applicant does not pose a threat to the integrity of gaming, the applicant's conviction did not involve gambling, dishonesty, theft, or fraud; and the applicant is otherwise eligible and suitable. Since the October 12, 2021, public meeting seven waivers have been issued.

Mr. Williams added that one minor-in-the casino citation has been issued since the October 2021 meeting.

For Michigan State Police, Mr. Williams referred the Board to their copy of his report. Due to the report containing propriety and investigation information, Mr. Williams did not disclose in the public forum.

The first item of business for the Board was approval of amended Board Resolutions 2021-01 and 2021-02. There were no questions from Board members therefore, Ms. Lambert-Bounds made a motion for approval which was supported by Mr. Palms. A voice vote was taken, motion carried.

Next, the Board considered for approval, the recommendation of the Executive Director and the Casino Operations Division's Employee Licensing staff regarding the 136 Level 1 and Level 2 occupational license applications.

There being no questions from Board Members, it was moved by Mr. Palms and supported by Ms. Davis that the Board enter an Order accepting and adopting the recommendations. A roll call vote was taken. Motion carried.

The next agenda item was consideration of the Licensing & Investigations Division's recommendation and the Executive Director's report regarding the pending operator license application of Lac Vieux Desert Band of Lake Superior Chippewa Indians. There were no questions from Board members. Ms. Lambert-Bounds made a motion for approval which was supported by Ms. Davis. A roll call vote was taken. Motion carried.

Next on the agenda for consideration was the Licensing & Investigations Division's recommendation regarding the pending supplier application requests of Bulletproof Solutions, Inc.; Churchill Downs Interactive Gaming, LLC; GAN Nevada, Inc.; Greentube USA LLC; Inspired Gaming USA, Inc.; Parx Interactive Michigan Inc.; Swish Analytics Michigan, Inc.; TBG Security, Inc.; and The United States Playing Card Company. There were no questions from Board Members. Ms. Davis made the motion that the Board approved the supplier license requests which was supported by Ms. Lambert-Bounds. A roll call vote was taken. Motion carried.

Next agenda item was consideration of the Licensing & Investigations Division's recommendations regarding the pending supplier license renewal requests of Baratta Brothers Inc. d/b/a Fairway Packing Company, Inc.; Colasanti Construction Services, Inc.; Dillon Energy Services, Inc.; Guideline Mechanical Inc.; KLP Specialty Services; Master Craft Carpet Services, Inc.; RAM Construction Services of Michigan, Inc.; Reliable Landscaping, Inc.; and Thomas Gallaway Corporation d/b/a Technologist.

There being no questions from Board Members, Ms. Davis supported the motion put forth by Mr. Palms that the Board enter Orders finding the suppliers and their qualifiers eligible and suitable for license renewal and, accordingly, grant the requests for a one-year period. A roll call vote was taken. Motion carried.

The Board then considered the withdrawal request of supplier licensee Crispelli's LLC d/b/a Bread by Crispelli's. There were no questions from Board Members. Ms. Lambert-Bounds put forth the motion for approval which was supported by Mr. Palms. A roll call vote was taken. Motion carried.

Next was consideration by the Board of the Licensing & Investigations Division's recommendations regarding the suitability of New Key Persons of supplier licensees Golden Nugget Online Gaming, Inc.; Greektown Propco LLC; Novomatic Americas Sales, LLC; Pokagon Gaming Authority; Sportradar Solutions LLC; and Sports Information Services Limited d/b/a Kambi. Board Members did not have any questions therefore, Ms. Davis put forth a motion for approval. The motion was supported by Ms. Lambert-Bounds. A roll call vote was taken. Motion carried.

The Board then considered the Licensing & Investigations Division's recommendations regarding the Transfers of Interest of supplier licensees, Golden Nugget Online Gaming Inc. and Greektown Propco LLC. There were no questions from Board Members. Mr. Palms put forth the motion for approval which was supported by Ms. Davis. A roll call vote was taken. Motion carried.

Next for Board consideration was the Casino Operations Division's recommendation regarding the Acknowledgement of Violation of casino licensee Detroit Entertainment, LLC d/b/a MotorCity Casino. There were no questions from Board Members. Ms. Lambert-Bounds made the motion which was supported by Mr. Palms, that the Board approve the recommendation. A roll call vote was taken. Motion carried.

The Board next considered the Casino Operations Division's recommendation regarding the Acknowledgments of Violation of occupational licensees Lisa Copeland; Unique Cunningham; Travis Hawk; Charlet Jones; David Jones; and Talisha Simmons. Assistant Attorney General Jason Geissler summarized the facts of the Violations. There were no questions from Board Members. Motions were made and supported. Roll call votes were taken. Motions carried.

Next was approval of the Administrative Law Judge's Proposals for Decision for occupational licensees Joseph Colvin; A'rik Daniels; Sherri Routhier and excluded person, Preetta Williams. Mr. Geissler summarized the facts of these matters. There were no questions from Board members. Motions were made and supported. Roll call votes were taken. Motions carried.

There were no requests from the public to address the Board.

Ms. Forte then announced the Board's next regular public meeting would be held Tuesday, February 15, 2022, at 9:30 a.m.

Ms. Forte then asked for a motion to go into closed session. Ms. Davis made the motion which was supported by Mr. Palms. A roll call vote was taken. Motion carried.

Following the closed session, the public meeting resumed, and a voice vote was taken to approve the minutes from the October 12, 2021, closed session. Motion carried.

Mr. Palms then made a motion to adjourn the public meeting which was supported by Ms. Davis. A roll call voice vote was taken. Motion carried.

Ms. Forte adjourned the meeting at 11:01 a.m.

A handwritten signature in cursive script that reads "Diane Brown". The signature is written in black ink on a light-colored background.

Diane Brown, Board Analyst