

STATE OF MICHIGAN
MICHIGAN GAMING CONTROL BOARD

PUBLIC MEETING
Cadillac Place Hearing Room and Via Zoom
3062 W. Grand Blvd., Suite L-700
Detroit, Michigan 48202

October 18, 2022, 9:30 a.m.
MEETING MINUTES

On Tuesday October 18, 2022, the Michigan Gaming Control Board held a public meeting, in person and 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

Also attending:

Henry Williams, Executive Director
Derek Mathis, Board Analyst
Bethany McCune, Assistant Attorney General
Bradley Cox, MSP Inspector
Mary Kay Bean, Communications Specialist

Business:

Ms. Forte called the meeting to order at 9:30 a.m. and Board Members Mr. Andrew Palms and Deidre Lambert-Bounds were present. Board Member Joni Thrower Davis was not 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 August 9, 2022. 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 Ms. Lambert Bounds and supported by Mr. Palms that the Board accept and approve the minutes of the August 9, 2022, 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 three new employees were hired, and two have resigned their position with MGCB. MGCB has 155 full-time employees and 30 vacant positions.

Regarding the Board's budget, as of September 30th, 2022, total expenditures were \$28,465,894 leaving an unexpended balance of \$6,494,902 in appropriated funding for fiscal year 2022.

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, the casinos reported \$106 million in monthly aggregate revenue in August and \$103.4 million in monthly aggregate revenue in September.

For the months of August and September, gaming taxes for the three Detroit casinos were \$16.7 million compared to \$17.8 million for the same period the previous year.

For August and September 2022, the three Detroit casinos reported paying the State of Michigan \$160,628 in retail sports betting taxes. For August and September, the three Detroit casinos reported paying the City of Detroit \$29 million in wagering taxes and development agreement payments, compared to \$33.1 million for the same period the previous year. For August and September 2022, the three Detroit casinos reported paying the City of Detroit \$196,915 in retail sports betting taxes.

For the period of July 2022 through August 2022, fantasy contest operators reported total adjusted revenue of 2.3 million and paid taxes of \$194,813. Year to date adjusted revenues totaled 9.7 million and paid taxes of \$817,505.

For January through August 2022, \$190 million in state taxes and payments; \$183.3 million from internet gaming and \$6.7 million from internet sports betting have been paid. City of Detroit received \$49.6 million from internet gaming and \$3.6 million from internet sports betting for a total of \$53.2 million in taxes and fees. Tribal operator payments for January through August 2022, has been 20.7 million in payments to Tribes.

Mr. Williams continued by providing Occupational Licensing, DPL information, waiver of criminal convictions and minor citations since the August 9th, 2022, Board Meeting.

Lastly Mr. Williams discussed the Global Gaming Expo in Las Vegas and the State of Michigan Employee engagement survey.

Mr. Williams closed by shedding light on responsible gaming and information pertaining to receiving help for those who may have a gambling problem.

First regular agenda item the Board considered for approval was the recommendation of the Executive Director and the Casino Operations Division's Employee Licensing staff regarding the 231 Level 1 and Level 2 occupational license applications.

There being no questions from Board Members, it was moved by Board Member Palms and supported by Ms. Lambert Bounds that the Board enter an Order accepting and adopting the recommendations. A voice vote was taken. Motion carried.

The next agenda item was consideration of the Licensing & Investigations Division's recommendation regarding the pending supplier license application requests of BMM North America, Inc., HF Collection, Inc., IMG Arena US, LLC d/b/a IMG Arena, K49A Media LLC, and NeoGames Solutions LLC d/b/a NeoGames.

There were no questions from Board members. Mr. Palms made a motion for approval which was supported by Ms. Lambert Bounds. A voice 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 BetFair Interactive US LLC d/b/a FanDuel Sportsbook, Dee Cramer, Inc., General Linen Supply Company d/b/a General Linen and Uniform Service, Greektown Propco LLC, Master Craft Carpet Service, Inc. d/b/a Master Craft Floors, Penn Sports Interactive, LLC, Premier Services Group, LLC, Reliable Landscaping, Inc., Socios Holdings, Inc. d/b/a Quality Meats and Culinary Specialties, Surveillance Systems Integration, Inc. d/b/a Surveillance Systems Incorporated, and Thomas Gallaway Corporation d/b/a Technolgent.

There being no questions from Board Members, Mr. Palms supported the motion put forth by Ms. Lambert-Bounds 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 voice 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 American Wagering, Inc. d/b/a William Hill Sports Book, Banach Technology Limited, Crown MI Gaming LLC d/b/a DraftKings, Everi Payments Inc., Evolution US LLC, IGT, NetEnt Americas LLC, NYX Digital Gaming (USA), LLC, Pala Interactive, LLC, PointsBet Michigan LLC, SG Gaming, Inc. d/b/a Scientific Games, The United States Playing Card Company, and WSI US, LLC d/b/a WynnBet.

Board Members did not have any questions therefore, Mr. Palms put forth a motion for approval. The motion was supported by Ms. Lambert-Bounds. A voice 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 internet gaming operator and sports betting operator licensees for Little Traverse Bay Bands of Odawa Indians and MGM Grand Detroit, LLC d/b/a MGM Grand Detroit Casino.

Board Members did not have any questions therefore, Mr. Palms put forth a motion for approval. The motion was supported by Ms. Lambert-Bounds. A voice vote was taken. Motion carried.

The Board then considered the Licensing & Investigations Division's recommendations regarding the Transfer of Interests of supplier licensees, Pala Interactive, LLC.

There were no questions from Board Members. Mr. Palms made the motion for approval which was supported by Ms. Lambert-Bounds. A voice vote was taken. Motion carried.

The Board next considered the Casino Division's recommendation regarding the Acknowledgement of Violation of casino licensee Greektown Casino, L.L.C.

There were no questions from Board Members. Ms. Lambert-Bounds made the motion for approval which was supported by Mr. Palms. A voice vote was taken. Motion carried.

The Board next considered the Casino Operations Division's recommendation regarding the Acknowledgement of Violation of occupational licensee Kris Porter. Assistant Attorney General Bethany McCune summarized the facts of the Violation. There were no questions from Board Members. Ms. Lambert-Bounds made the motion for approval which was supported by Mr. Palms. A voice vote was taken. Motion carried.

The Board next considered the Casino Operations Division's recommendation regarding the Acknowledgement of Violation of occupational licensee Sophia Donelson. Assistant Attorney General Bethany McCune summarized the facts of the Violation. There were no questions from Board Members. Ms. Lambert-Bounds made the motion for approval which was supported by Mr. Palms. A voice vote was taken. Motion carried.

The Board next considered the Casino Operations Division's recommendation regarding the Proposal of Decision of occupational licensee Gerrick Carter. Assistant Attorney General Bethany McCune summarized the facts of the Violation. There were no questions from Board Members. Ms. Lambert-Bounds made the motion for approval which was supported by Mr. Palms. A voice vote was taken. Motion carried.

The Board next considered the Casino Operations Division's recommendation regarding the Proposal of Decision of occupational licensee Kathy Placido. Assistant Attorney General Bethany McCune summarized this Proposal for Decision was adjourned until the next Board Meeting on December 13th, 2022. There were no questions from Board Members. Ms. Lambert-Bounds made the motion for approval which was supported by Mr. Palms. A voice vote was taken. Motion carried

There was one request from the public to address the Board. Mr. Mathis stated the request from the public was Mr. Levenson from BMM America. Mr. Levenson addressed to board and provided his thanks to the Gaming Board and Board Members.

Ms. Forte then announced the Board's next regular public meeting would be held December 13, 2022, at 9:30 a.m.

Ms. Forte then asked for a motion to go into closed session. Mr. Palms made the motion which was supported by Ms. Lambert-Bounds. 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 August 9, 2022, closed session. Motion carried.

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

Ms. Forte adjourned the meeting at 10:24 a.m.

Derek Mathis

Derek Mathis, Board Analyst