

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

December 23, 2022, 9:30 a.m.
MEETING MINUTES

On Tuesday December 23, 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
Joni Thrower-Davis

Also attending:

Henry Williams, Executive Director
Derek Mathis, Board Analyst
Bethany McCune, Assistant Attorney General
Gerald Whalen, Assistant Attorney General
D/F/Lt. Marcus Trammel, MSP
Jasmine Tompkins, State Administrative Assistant

Business:

Ms. Forte called the meeting to order at 9:33 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 18, 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 Mr. Palms and supported by Ms. Lambert-Bounds that the Board accept and approve the minutes of the October 18, 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 nine new employees were hired, and one resigned their position with MGCB. MGCB has 161 full-time employees and 24 vacant positions. Mr. Williams also informed the Board of the promotions of one Board employee.

Regarding the Board's budget, as of November 30th, 2022, total expenditures were \$2,972,922 leaving an unexpended balance of \$35,127,896 in appropriated funding for fiscal year 2023, 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, the casinos reported \$102.8 million in monthly aggregate revenue in October and \$101.8 million in monthly aggregate revenue in November.

For the months ending October 31, 2022, and November 30, 2022, gaming taxes for the three Detroit casinos was \$16.3 million compared to \$17.4 million for the same period the previous year.

The three Detroit casinos reported paying the State of Michigan \$149,604 in retail sports betting taxes. For October and November 2022, the three Detroit casinos reported paying the City of Detroit \$16.3 million in wagering taxes and development agreement payments, compared to \$17.4 million for the same period the previous year.

Mr. Williams reported the total handle from Lawful Sports Betting Act and Lawful Internet Gaming Act for January 2022 through October 2022 was \$3.59 billion for sports betting, \$1.59 billion in from gross receipts, \$1.28 billion was from internet casino gaming, and \$309.9 million from internet sports betting.

For January through October 2022, the City of Detroit received \$68 million in state taxes and payments; \$62.8 million from internet gaming and \$5.2 million from internet sports betting have been paid. Tribal operator's payments through October were \$26.5 million.

Mr. Williams informed the Board that since the October public meeting, the employee licensing section completed required background investigations of 186 pending level one and level two occupational license applications, 59 level three license applications, and 229 license renewal requests. Mr. William stated he previously approved the 229 renewal requests and the 59 level three applications. The remaining 186 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. As of November 30, 2022, the Board has received 1,164 applications seeking removal. Of those, 1,017 requests have been approved (46 have requested placement back on the list), and 75 requests were denied due to the applicants either not being eligible or not responding to information requested from the board. The remaining 26 requests are currently under review.

Mr. Williams added that there were no minor-in-the casino citations since the October 2022 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 the information in the public forum.

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 186 Level 1 and Level 2 occupational license applications.

There being no questions from Board Members, it was moved by Board Member Lambert-Bounds and supported by Ms. Davis 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 and the Executive Director's report regarding the pending operator license application of Grand Traverse Band Economic Development Corporation. There were no questions from Board members. Ms. Davis made a motion for approval which was supported by Mr. Palms. A voice 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 supplier license applications of ASF LTD d/b/a Angstrom Sports; Leadstar Media AB; Metric Gaming Services Limited; NG Entertainment USA LLC d/b/a NetGaming USA; Rudolph Libbe, Inc.; Solutions-II, Inc.; Wazdan MI LLC. There were no questions from Board members. Ms. Davis made a motion for approval which was supported by Mr. Palms. 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 Concept 3 LLC; Data Financial, Incorporated; Dillon Energy Services, Inc.; KLP Specialty Food; Micro Wise, Inc.; MIG East, LLC.

There being no questions from Board Members, Ms. Lambert-Bounds 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 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 Aristocrat Technologies, Inc. with New Key Person Craig Terence Toner; Boom Shakalaka, Inc. d/b/a Boom Sports, with New Key Person Zachary Eilerman Messer; Design Works Gaming MI, LLC, with New Key Person Joseph Douglas Crim; GeoComply Solutions, Inc., with New Key Person Crati Holdings LTD.

Board Members did not have any questions therefore, Ms. Lambert-Bounds put forth a motion for approval. The motion was supported by Ms. Davis. 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, GeoComply Solutions, Inc. There were no questions from Board Members. Ms. Davis 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 casino licensee Hollywood Casino at Greektown. There were no questions from Board Members. Mr. Palms made the motion for approval which was supported by Ms. Davis. A voice vote was taken. Motion carried.

The Board next considered the Casino Operations Division's recommendation regarding the Acknowledgement of Violation of casino licensee MGM Grand Detroit, 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 supplier licensee Penn Sports Interactive, LLC. There were no questions from Board Members. Ms. Davis 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 Operations Division's recommendation regarding the Proposal for Decision of occupational licensee Sonya Rayford. Assistant Attorney General Bethany McCune summarized the facts of the Violation. There were no questions from Board Members. Mr. Palms made the motion for approval which was supported by Ms. Davis. A voice vote was taken. Motion 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 February 21, 2023, at 9:30 a.m.

Ms. Forte then asked for a motion to go into closed session. Ms. Lambert-Bounds made the motion which was supported by Ms. Davis. 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 18, 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 10:10 a.m.

Derek Mathis

Derek Mathis, Board Analyst