

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

June 13th, 2023, 9:30 a.m.
MEETING MINUTES

On Tuesday June 13th, 2023, 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
Kellie McGuire, Assistant Attorney General
Gerald Whalen, Assistant Attorney General
D/F/Lt. Marcus Trammel, MSP

Business:

Ms. Forte called the meeting to order at 9:46 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 April 18th, 2023. It was noted Board Members previously received copies of the minutes. Board Members were asked if there were any corrections, additions, or deletions to the prepared minutes. No changes were made.

A motion was made by Mr. Palms and supported by Ms. Thrower Davis that the Board accept and approve the minutes of the April 18th, 2023, 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 eight new employees were hired. MGCB has 172 full-time employees and 13 vacant positions. Mr. Williams noted ongoing efforts are being made to fill the Board's 13 vacant positions.

As of May 31st, 2023, total MGCB expenditures were \$20,134,564. This leaves an unexpended balance of \$19,618,355 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 \$543.5 million in monthly aggregate revenue from January through May.

For year-to-date May 31st, 2023, gaming taxes for the State of Michigan received from the three Detroit casinos were \$43.8 million compared to the \$43.6 million for the same period from 2022. In addition, the three Detroit casinos reported paying the State of Michigan \$182,655 in retail sports betting taxes.

For year-to-date May 31st, 2023, the three Detroit casinos reported paying the City of Detroit \$68.3 million in wagering taxes and development agreement payments and \$223,244 in retail sports betting taxes.

Mr. Williams reported the total handle from the Lawful Sports Betting Act and Lawful Internet Gaming Act revenue for January through April 2023 was \$651.9 million in total adjusted gross receipts, up 29.3% from January through April 2022. \$569.7 million from internet casino gaming and \$82.2 million from internet sports betting.

State of Michigan taxes and payments for January through April 2023; \$111.8 million from internet gaming and \$5.3 million from internet sports betting totaling \$117.1 million in tax payments to the State of Michigan.

City of Detroit taxes and fees received for January through April 2023, \$32 million total taxes and fees; \$29.6 million from internet gaming and \$2.4 million from internet sports betting. \$13 million in payments were made to the Tribes.

Mr. Williams informed the Board that since the April 2023 public meeting, the employee licensing section completed required background investigations of 139 pending level one and level two occupational license applications, 36 level three license applications, and 250 license renewal requests. Mr. William stated he previously approved the 250 renewal requests and the 36 level three applications. The remaining 139 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 May 31st, 2023, the Board has received 1,285 applications seeking removal. Of those, 1,128 requests have been approved (64 have requested placement back on the list), and 81 requests were denied, and the remaining 12 requests are currently under review.

As of May 31st, 2023, the Board received 608 applications requesting placement in the Responsible Gaming Database. 479 participants have been placed on the internet gaming list, 436 have been placed on the internet sports betting list. 95 applications received were incomplete and 12 applications are pending processing. The platform operators report over 10,000 citizens have self-excluded from the various platforms.

Mr. Williams added that we issued three waivers since the April 18th, 2023 public 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.

For mentioned notables, Mr. Williams mentions that the Responsible Gaming staff has been invited to multiple community events to provide responsible gaming literature and promote the agency's "Don't Regret the Bet" campaign. Mr. Williams includes that many organizations have requested our presence to discuss responsible gaming and mentions that additional outreach are coming up in June.

Mr. Williams continued to congratulate the Responsible Gaming Section for all the work they're doing in getting the message out to the community as it relates to responsible gaming.

Mr. Williams added that the agency staff participated in the Active Shooter Training organized by the Human Resource team. Trainings were conducted in both the Detroit and Lansing office. Mr. Williams thanked the Human Resource team for organizing that very important training for the staff.

Chairwoman Forte thanked Mr. Williams for his report.

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 139 Level 1 and Level 2 occupational license applications.

There being no questions from Board Members, it was moved by Board Member Thower-Davis and supported by Ms. Lamber-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 and the Executive Director's report regarding the pending supplier license application of VHL Michigan, LLC.

There were no questions from Board members. Ms. Lambert-Bounds 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 Everi Payments Inc., Gold Star Equipment, Inc. d/b/a Gold Star Products, JCM American Corporation d/b/a JCM Global, Kimprint, Inc. d/b/a Progressive Printing, Konami Gaming, Inc., Novomatic Americas Sales LLC, NRT Technology Corp., SportsContentCo, LLC, Swish Analytics Michigan Inc.

There being no questions from Board Members, Ms. Thrower-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 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 of Ainsworth Game Technology Limited, with New Key Person Li Lynn Mah, Alchemybet Limited, with New Key Person Anna Massion-Greenberg, Aristocrat Technologies, Inc., with New Key Persons Sally Ann Denby & Billy George Lance Jr., Banach Technology Limited, with New Key Persons Sig Sports Investment Corp., Sig Sports Analytics Holdings, Inc., Theodore Thomas Bryce, David Matthew Pollard, Jeffrey Steven Yass, & Arthur Dantchik, Bulletproof Solutions, Inc., with New Key Person Steven Douglas

Burns, Genius Sports Media, Inc. d/b/a Genius Sports; BetGenius, with New Key Person Eric Misiaszek Stevens, LNW Gaming, Inc., with New Key Person Stephen William Morrow, NeoGames Solutions LLC d/b/a NeoGames with New Institutional Investor Sunriver Management LLC, Oryx Gaming International LLC d/b/a Oryx Gaming, with New Key Persons Yaniv Sherman & Mark Anthony Clayton, Penn Sports Interactive, LLC, with New Institutional Investor HG Vora Capital Management, LLC, PointsBet Michigan LLC, with New Key Persons Sig Sports Investments Corp., Sig Sports Analytics Holdings, Inc., Theodore Thomas Bryce, David Matthew Pollard, Jeffrey Steven Yass, Arthur Dantchik, & Kate Patricia Chesney, PT Services (Delaware) LLC, with new Key Person Christopher John McGinnis, Spin Games LLC, with New Key Persons Yaniv Sherman & Mark Anthony Clayton.

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

Next Item is Consideration of the Executive Director's Report and Licensing & Investigations Division's Recommendations Regarding the Pending Requests for Approval of New Key Persons of Casino, Internet Gaming Operator and Sports Betting Operator Licensee of MGM Grand Casino, LLC d/b/a MGM Grand Detroit Casino, with New Key Person Steven Joseph Zanella, Soaring Eagle Gaming, with New Key Person Robert Joseph Hemmen Jr.

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 then considered the Licensing & Investigations Division's recommendations regarding the Transfer of Interests of supplier licensees, Banach Technology Limited, PointsBet Michigan LLC.

There were no questions from Board Members. Mr. Palms made the motion for approval which was supported by Ms. Lamber-Bounds. 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 Greektown Casino, L.L.C.

There were no questions from Board Members. Ms. Thower-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 MGM Grand Casino, LLC d/b/a MGM Grand Detroit Casino.

There were no questions from Board Members. Ms. Lambert-Bounds made the motion for approval which was supported by Ms. Thower-Davis. 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 Kim Morgan. Assistant Attorney General Kellie McGuire 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. Thower-Davis. 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 Versie Simpson. Assistant Attorney General Kellie McGuire summarized the facts of the Violation. There were no questions from Board Members.

Ms. Thrower-Davis made the motion for approval which was supported by Ms. Lambert-Bounds. A voice vote was taken. Motion carried.

Ms. Forte indicated an additional item of business, consideration of leave of Board regarding the re-application for denied license for Yvonne Nelson. Assistant Attorney General Kellie McGuire summarized the facts involved. Ms. Nelson appeared and spoke to the Board. Ms. Lambert-Bounds made the motion for approval which was supported by Mr. Palms.

There was 1 request from the public to address the Board. Mr. Kwame Dowdell spoke briefly to the Board.

Ms. Forte then announced the Board's next regular public meeting would be held Tuesday August 8th, 2023, at 9:30 a.m. (Later amended to be scheduled August 15th, 2023, at 9:30am)

Ms. Forte then asked for a motion to go into closed session. Mr. Palms made the motion which was supported by Ms. Thrower-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 April 18th, 2023, closed session. Motion carried.

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

Ms. Forte adjourned the meeting at 11:00 a.m.

Derek Mathis

Derek Mathis, Board Analyst