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The MICHIGAN GAMING Newsletter



POKAGON BAND RELEASES \$6.2 M TO LOCAL REVENUE SHARING BOARD

On Tuesday, May 12, the Pokagon Band of Potawatomi Indians (Pokagon Band), owners and operators of the Class II Four Winds Casino located in New Buffalo, MI, presented a check for \$6.2 million to the Pokagon-New Buffalo Area Local Revenue Sharing Board (LRSB).

“Our Tribe is proud to be able to share these funds from our casino with our neighbors in the local communities,” said Tribal Chairman John Miller. “We congratulate the local revenue sharing board for developing a fair distribution plan that will maximize the benefit of these funds for local government, libraries and schools.”

Under the Pokagon Band’s Class III Gaming Compact with the State of Michigan, two percent (2%) of electronic gaming device revenue is to be paid to local governments. The disbursement of LRSB funds is expected to be completed over the next several months. Under a new agreement, the Tribe will make yearly payments to the LRSB.

“This couldn’t of come at a better time,” stated Pete Rahm, the New Buffalo Township representative and chair of the Board. “With the economy reducing local revenues and the state cutting back, these funds are certainly needed and greatly appreciated.”

The Pokagon Band had been holding these funds in an interest bearing escrow account, citing concerns it had with the LRSB bylaws, as well as the proposed funding distributions. These disputes were resolved by an Amendment to the Pokagon Band’s Class III Gaming Compact which expanded the size of the LRSB from three to five members, and also allowed the Pokagon Band to build two additional satellite casinos, each with a

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maximum of 1,000 electronic gaming devices, in Van Buren and Cass Counties. The Amendment was signed on August 14, 2008.

RECENT OHIO POLL: 60% FAVOR LEGALIZING CASINO GAMING IN STATE

According to a recent poll conducted by the Institute for Policy Research and the University of Cincinnati, a total of 60% of Ohioans support making casino gaming legal in their state. The poll was released last week and reflects the opinions of over 800 individuals responding to a wide array of social and economic policy questions (not just gaming issues).

Notably, The Ohio Jobs and Growth Committee, key sponsors of a proposed plan to allow for four casinos to be built in Ohio, is currently collecting the required 402,275 signatures to allow for a ballot initiative to be included on the November 3, 2009 state-wide ballot. The proposal would seek to amend Ohio's Constitution, which currently prohibits casino gaming in the state.

If approved by voters in November, the proposal would create four casinos, one in Toledo, Cleveland, Columbus, and Cincinnati. Proponents for the project estimate revenues from the casinos at \$1.8 billion annually, with one-third set aside for taxes that could go to local communities, school districts, and other public projects. As drafted, the proposed constitutional amendment would require at least \$1 billion in initial investment (\$250M at each of the four locations) and would allow all forms of gaming currently allowed in neighboring states.

Four previous measures have reached the ballot since 1990, the most recent of which failed at the polls in November, 2008. Proponents are hoping that the current economic conditions will sway voters to approve the proposal, citing the prospect of up to 20,000 new jobs and an estimated \$600 million in annual tax revenue.

Currently, Ohio's gaming industry includes a state lottery and wagering on horse racing. The state does not have any Native American owned casinos or state authorized electronic gaming.

NCRG LAUNCHES NATION'S FIRST CENTERS OF EXCELLENCE IN GAMBLING RESEARCH

Yesterday, May 14th, the National Center for Responsible Gaming (NCRG) announced the creation of the nation's first NCRG Centers of Excellence in Gambling Research at Yale University and the University of Minnesota. The new centers will employ a long-term institutional approach to conducting innovative research and educational programs regarding gambling disorders.

The Institute for Research on Gambling Disorders, formerly known as the Institute for Research on Pathological Gambling and Related Disorders has awarded each center with a three-year, \$402,500 grant to fund research. The funded research will focus on basic questions about gambling addiction. Specifically, the Center at Yale University will examine the various factors which influence the treatment of gambling disorders through controlled clinical trials, using the drug naltrexone.

"In 1996, the NCRG launched the first competitive grants program in the U.S. to fund research into gambling disorders, so the creation of the new Centers of Excellence is consistent with the organization's pioneering legacy of supporting the highest-quality research in this field," said Glenn Christenson, Chairman of the NCRG. "This marks a true evolution in our approach to funding research, one we are confident will contribute to seminal findings on gambling disorders in the years ahead."

Founded in 1996, the NCRG is the only national organization devoted exclusively to funding research that helps increase awareness and understanding of pathological and youth gambling, and implementing methods of treatment for the disorders. For more information regarding the NCRG please visit: <http://www.ncrg.org/>.

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MICHIGAN LOTTERY OFFERS NEW 'WIN FOR LIFE' RAFFLE

On Monday, May 11, the Michigan Lottery commenced the selling of its newest \$20 raffle, "Win for Life," which will award one lucky winner \$1,000 a week for the rest of his or her life.

"Win for Life not only offers players a whole new way to win, it gives them a way to stretch out a win," said Lottery Commissioner M. Scott Bowen. "We look forward to giving one lucky winner \$1,000 a week for the rest of his or her life."

There are 300,000, six digit tickets available to patrons across the state. Once all of the tickets are sold, sales will close. The actual raffle drawing will be conducted on or after June 22, 2009 when 10,026 winning tickets will be selected. One winner will be awarded the top prize of \$1,000 a week for the rest of his or her life; 25 winners will be awarded a cash prize of \$50,000 each; and 10,000 winners will be awarded a cash prize of \$100 each.

According to the Michigan Lottery, during fiscal year 2008, lottery sales contributed more than \$740 million to the state School Aid Fund. Since its inception in 1972, the Lottery has contributed more than \$15 billion to education in Michigan.