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The _____ MICHIGAN GAMING _____ Newsletter



MICHIGAN LEGISLATURE APPROVES SMOKING BAN: CASINO EXEMPTION INCLUDED

Yesterday, December 10, 2009, the Michigan Legislature approved a state-wide public smoking ban with exemptions for casinos and certain other businesses. The bill now goes to Michigan Governor Jennifer Granholm, who has indicated she will sign it into law.

The long debated House Bill 4377 (HB 4377) allows exemptions for the gaming floors at Detroit's three commercial casinos, cigar bars, specialty tobacco shops, home offices and motor vehicles. It passed the Republican-led Senate 24-13 and the Democratically-controlled House 75-30. The ban will take effect on May 1, 2010. Those in violation of the ban will face fines of \$100 for the first offense and \$500 for subsequent offenses.

HB 4377 was introduced in February by Representative Lee Gonzales (D-Flint Township) and was similar to legislation passed by the state House last year. That legislation was ultimately rejected by the Senate last year due to the exemptions it contained.

Yesterday's passage of HB 4377 was an 'S-3' version of the bill, sponsored by Senator Ron Jelinek (R-Three Oaks) and co-sponsored by Senators Tom George (R-Texas Twp.) and Ray Basham (D-Taylor), which included compromise language to allow for exemptions. Last year, Senator Jelinek had supported only a total state-wide ban, with no exemptions.

"We live in a world of compromise," said Senator Jelinek, "we can't always get our own way."

According to MGM Grand Detroit spokesman Jamie Dickens, the casino

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floor exemption prevented an estimated 2,100 layoffs at Detroit's three commercial casinos.

State Senator Mike Nofs (R-Battle Creek) failed to get an amendment exempting bingo events and millionaire parties before Senate approval of the bill. Similarly, Senator Wayne Kuipers (R-Holland) failed to get approval of an amendment to allow smoking at bars and restaurants near casinos. Proposed amendments exempting the state's five horse tracks and bars at an international airport also failed to gain passage.

Notably, the province of Ontario, Canada has banned smoking since 2006 and according to *The Windsor Star*, Chris Edwards, executive director of Windsor's downtown business improvement association stated, "[w]e've been waiting for this to try and level the playing field." Windsor's downtown bars, restaurants, bingos and Caesars Windsor Casino have seen a significant decrease in U.S. patronage since the ban was introduced nearly four years ago.

The passage of HB 4377 makes Michigan the 38th state to approve a state-wide smoking ban. The bill also establishes compliance requirements for workplaces, such as removing ashtrays and signage, notifying the public, and enforcement.

TRIBAL GAMING COMMISSIONER RESIGNS

On Wednesday, December 9, Nathaniel Spurr, acting chairman of the Nottawaseppi Huron Band of Potawatomi tribal gaming commission, tendered his resignation effective immediately.

The resignation was tendered 18 minutes before the local tribal council considered removing him from the gaming commission, and came amid the charge that Spurr's relationships with FireKeepers Casino employees have compromised his work. Spurr was scheduled to appear before the council on charges of malfeasance related to several "intimate relationships" he has allegedly had with casino employees. He has denied any wrongdoing, and indicated that his relationships would not affect his ability to be objective as commissioner.

The tribal council issued a statement Wednesday evening stating that the hearing has been conducted, and "[a]s a result of that hearing, Mr. Spurr is no longer a member of the gaming commission."

According to Spurr's attorney, Angela Sherigan, the tribe did not accept the resignation, and conducted the hearing without Spurr or his attorney being present. Ms. Sherigan noted, however, that she and her client believe the resignation was effective upon submission. "There is nothing in the gaming ordinance stating the council has to accept the resignation. Our position is the council can't remove him when he is no longer in that position." Sherigan will likely ask the council to rule on the validity of the resignation.

In a statement issued by Spurr, his resignation was in response to the negative attention the tribe and the casino were receiving due to the charges brought against him. He also stated a hearing considering his removal would be unfair to him, since three of the five council members who would have considered his removal were also responsible for bringing the charges against him. In addition, one of the two remaining members, Laura Spurr, Nathaniel Spurr's mother, would likely have had to recuse herself from the vote.

DAILY AGA SMARTBRIEFS

The American Gaming Association (AGA), which produces the Global Gaming Expo, has recently introduced *AGA SmartBriefs*, a free daily e-newsletter which keeps the gaming industry up to date on the latest gaming news. Sign up and stay ahead of the curve with updates on products, technologies, amenities, industry happenings and more. You can register to receive the free *AGA SmartBriefs* by visiting www.smartbrief.com/aga/.