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# The MICHIGAN GAMING Newsletter



## CITY OF DETROIT FILES FOR BANKRUPTCY PROTECTION

On Thursday, July 18, 2013, the City of Detroit filed a petition for Chapter 9 bankruptcy protection in the US Bankruptcy Court for the Eastern District of Michigan. Detroit is the largest city in the country to have filed for bankruptcy protection.

The petition was filed by Emergency Manager Kevyn Orr, who was appointed to manage the city's finances by Governor Richard Snyder on March 14, 2013. Under Michigan law, Mr. Orr is required to receive approval from Governor Snyder to file for bankruptcy protection for the city and, on July 16, 2013 submitted a letter to the Governor requesting such approval. The Governor approved the request in a response dated July 18, 2013, stating that "it is clear that the financial emergency in Detroit cannot be successfully addressed outside of such a filing, and it is the only reasonable alternative that is available." The July 18, 2013 response further notes the financial and structural issues facing the city and concludes that the bankruptcy process is "[t]he only feasible path...of ensuring the City can meet its basic obligations to its citizens."

The petition states that the city estimates it has over 100,000 creditors, and various news reports have suggested total liabilities in the \$18-\$20 billion range. At this time, the court will review the initial petition and assign a judge to the case before proceeding on the merits. The case title is *In re: City of Detroit, Michigan*, Case No. 13-53846. To view a copy of the petition, please visit the website for the US Bankruptcy Court for the Eastern District of Michigan, here: <http://www.mieb.uscourts.gov/>

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## SENATE SUBCOMMITTEE HOLDS HEARING ON POTENTIAL EXPANSION OF INTERNET GAMBLING

On Wednesday, July 17, 2013, The United States Senate Subcommittee on Consumer Protection, Product Safety and Insurance held a hearing entitled, “The Expansion of Internet Gambling: Assessing Consumer Protection Concerns.” In light of the recent enactment of intrastate online wagering schemes in Nevada, New Jersey and Delaware, the stated goal of the hearing was to “explore the consumer protection implications of the legalization of intrastate online gaming.” In advance of the hearing, Committee Chairman Jay Rockefeller (D-WV) stated that:

“[i]nternet gambling is a multi-billion dollar industry that comes with some serious risks, including the potential for money laundering used for terrorist financing. This alone demands that we take a hard look at what a growing Internet gambling industry means as more states have recent laws permitting online wagering. We’ve also got to take a hard look at consumer protections, and how we’re going to fix any existing gaps that allow underage gambling or otherwise leave consumers vulnerable to fraud and abuse.”

The hearing included testimony from Chuck Canterbury, National President of the Fraternal Order of Police, and Jack Blum, a Washington attorney, both of whom stressed that an overall federal regulatory scheme needs to be put into place as online gaming expansion continues because state and local law enforcement are not equipped to handle the potential money laundering and terrorist financing issues that could arise. Thomas Grissen, the CEO of Daon, a biometrics and enterprise security firm, testified that there is technology that is available to help combat underage and illicit online wagering, including utilizing photograph and voiceprint records to confirm patron identities. In response, Sen. Kelly Ayotte (R-NH) stated, “[w]hat we have here is a free for all. Shame on us if we don’t get something done on this. When I think about the issues of money laundering, terrorism [and] drug trafficking...I hope this is something we move on very quickly.”

Though there is currently no online wagering bill before the Senate, two online gaming expansion bills were introduced in the House of Representatives earlier this year. House Resolution (HR) 2282, introduced by Rep. Peter King (R-NY), would legalize and regulate all forms of internet wagering, except sports betting, while HR 2666, introduced by Rep. Joe Barton (R-TX), seeks to legalize and regulate only online poker. On the Senate side, Senators Harry Reid (D-NV) and Dean Heller (R-NV) have hinted that they may introduce an online gambling bill in the Senate yet this year.

## MGM GRAND DETROIT RECEIVES HOUR MAGAZINE’S 2013 “BEST OF CASINO” AWARD

MGM Grand Detroit has recently been named “Best Casino” in metropolitan Detroit by *Hour Detroit* in its “2013 Best of Detroit” issue.

“Receiving even one of *Hour Detroit*’s “Best Of” awards tells you that you are doing something right,” said Steve Zanella, president and Chief Operating Officer of MGM Grand Detroit. “I am extremely proud of our gaming team and DJ Captn20 for their hard work and creativity.”

According to the *Hour Detroit* website, thousands of readers selected their favorites in online voting for *Hour Detroit*’s 2013 Best of Detroit list. For more information regarding the *Hour Detroit* publication, please visit [www.hourdetroit.com](http://www.hourdetroit.com).

## GLOBAL GAMING EXPO EARLY BIRD SPECIALS

Early Bird Discounts for the 2013 Global Gaming Expo (G2E), to be held at The Sands Expo and Convention Center in Las Vegas, Nevada, from September 24-26, run through August 30.

Early Bird Discounts include group discounts, Native American Casino Registration packages

and special hotel and travel deals which registrants may take advantage of on the G2E website.

Attendees will also have the opportunity to apply for Express Badges for G2E 2013. Expo organizers say the new badges will expedite registration and check-in time, thus creating more ease and convenience.

G2E is the pre-eminent trade show for the worldwide gaming-entertainment industry, providing access to the latest and most innovative new products, the most current education and the best networking opportunities in the business. The flagship event in the G2E family of events, G2E is held annually in Las Vegas. It is organized by the AGA and [Reed Exhibitions](#), with a commitment to creating an event that is by the industry and for the industry.

Over 30,000 gaming professionals from around the world are scheduled to attend this year's G2E from all gaming industry trades and sectors. To register, or for more information about G2E, please visit [www.globalgamingexpo.com](http://www.globalgamingexpo.com).

## AGA ACCEPTING 13TH ANNUAL COMMUNICATIONS AWARDS

The American Gaming Association (“AGA”) is currently accepting entries for the 13th annual AGA Communications Awards.

The Communications Awards recognize outstanding achievement in advertising, public relations, and financial and corporate communications in the global gaming industry. According to the AGA, it is the only such award of its kind and celebrates the creativity of industry's communication efforts.

All companies involved in the casino, lottery or pari-mutuel industries are eligible to submit entries in any of 15 categories, ranging from annual report and communications campaign .

To access category information as well as the entry form, please visit <http://www.americangaming.org/events-and-programs/communications-awards>.

## SIGN UP FOR RMC'S DAILY GAMING NEWS FEED

Regulatory Management Counselors, P.C. (RMC Legal), authors of *The Michigan Gaming Newsletter*, would like to extend to you an invitation to sign up for the complimentary *RMC Daily Gaming News Feed*. The Daily News Feed delivers Michigan and gaming-industry specific news links directly to you each morning.

To sign up to receive the RMC Daily Gaming News Feed, simply visit: <http://rmclegal.com/media-publications> and complete the form.

Should you have any questions or concerns, feel free to contact Blaine DeGracia at 517-507-3857 or [degracia@rmclegal.com](mailto:degracia@rmclegal.com).