

March 28, 2014

Volume 20, Issue 10

For more information on Michigan's gaming industry, please visit www.michigangaming.com

Editor in Chief

David D. Waddell, Esq.

Phone: 517.507.3859

waddell@rmclegal.com

Senior Gaming Analyst & Editor

Robert R. Russell, II

Phone: 517.507.3858

russell@rmclegal.com

Reporter and Associate Editor

Dustin M. Ford

Phone: 517.999.5414

dford@rmclegal.com

Reporter

Douglas L. Minke

Phone: 313.221.9380

minke@rmclegal.com

Reporter

Blaine R. DeGracia

Phone: 517.507.3857

degracia@rmclegal.com

Subscription information:

info@michigangaming.com

A publication of

RMC Ventures, LLC

Asher Court

321 W. Lake Lansing Rd.

East Lansing, MI 48823

Phone: 517.507.3860

Fax: 517.908.0235

www.rmclegal.com

The **MICHIGAN GAMING** Newsletter



MICHIGAN HARNESS HORSEMEN'S ASSOCIATION FILES SUIT AGAINST THE STATE

On February 24, 2014, the Michigan Harness Horsemen's Association ("MHHA"), representing the interests of Standardbred racing, filed a Petition for Writ of Mandamus and Ex Parte Order to Show Cause with the 30th Circuit Court (Ingham County) naming the Michigan Gaming Control Board ("MGCB") and its Executive Director (and acting Racing Director for the State of Michigan), Richard Kalm, as defendants.

The filing comes on the heels of two Executive Orders, issued by Mr. Kalm on January 21, 2014, amending the race meet schedules for the Hazel Park and Northville Downs racetracks to provide for the return of Thoroughbred racing at both of the venues while reducing the number of dates scheduled for Standardbred racing.

The complaint includes three counts surrounding the approval of the amended racing applications, claiming that the approval of the amended applications violates the Horse Racing Act of 1995 ("HRA"); that purse pool contracts entered into under the amended license applications violate the HRA; and asking the court to compel the MGCB and Mr. Kalm to "hold a hearing ordering them to immediately justify their positions" regarding the amended application and contract approvals.

On Friday, March 28, 2014, the state filed a Motion to Dismiss and/or for Summary Disposition in the matter. The filing states, in part, that the MHHA "is trying to use the extraordinary remedy of mandamus as a means of negotiating a contract with two horse racing tracks in Michigan." A hearing is scheduled for May 7, 2014 on the motion.

Mr. Kalm also issued a letter shortly after the approval of the amended

applications on January 24, 2014. The letter states, in part:

On October 31, 2013 and November 1, 2013, Executive Orders were issued granting Hazel Park and Northville Downs Race Meeting Licenses to conduct live and simulcast racing. The Race Meeting Licenses awarded race dates, but were breed neutral, meaning the breeds to be raced were not specified. This was done to give the tracks the opportunity to submit additional information regarding their proposed and requested thoroughbred track conversion plans. It also permitted a cooling off period to allow [MHAA] and the Gaming Board to explore the possibility of expanding Harness Race date opportunities with the tracks. The orders were issued as required by Nov. 1.

During this process I complied with our statutory responsibilities by approving the race meeting licenses to applicants that met the contract demands of the Certified Horsemen Associations (CHO) involved at their tracks. The applicants (tracks) made the decision to present a different product to their customers with the goal of increasing interest in the sport and perhaps making a profit....

Our intent is, and has always been, to maximize live racing opportunities for the horsemen.

To view the Executive Orders issued by Mr. Kalm, as well as the January 24, 2014 letter, please visit: <https://www.michigan.gov/mgcb/0,4620,7-120-57232---,00.html>

MGCB RESUBMITS PROPOSED MILLIONAIRE PARTY RULES

On Tuesday, March 25, 2014, the Michigan Gaming Control Board (“MGCB”) resubmitted proposed rule changes concerning the operation and regulation of millionaire parties in the state. According to the Michigan’s Office of Regulatory Reinvention’s (“ORR”) website, the rules were certified on March 25, 2014. The draft rules were modified following input received at a hearing held by the Michigan Legislative Council’s Joint Committee on Administrative Rules (“JCAR”) on March 12. In connection with the resubmission, the MGCB also submitted an

“Addendum to the Agency Report to JCAR” explaining the modifications being made to the rules.

On March 19, the MGCB withdrew its proposed rules concerning the regulation of millionaire parties that previously had been submitted to JCAR. To obtain a copy of the resubmitted rules, please visit the ORR’s website at <http://www7.dleg.state.mi.us/orr/Rules.aspx?type=dept&id=TY>.

MGCB RELEASES NOTICE OF REGULAR PUBLIC MEETING

The Michigan Gaming Control Board (“MGCB”) has recently announced that it will hold its regular public meeting on **Tuesday, April 8, 2014** at the MGCB Detroit office, Cadillac Place, 3062 West Grand Blvd., Suite L-700, in Detroit.

The meeting will begin at 9:30 a.m. with the staff briefing, followed immediately by the agenda items. The Cadillac Place is in Detroit’s New Center Area near the John Lodge Freeway (M-10), between Second Avenue and Cass Avenue. The Fisher Building and the Albert Kahn Building are nearby landmarks.

For more information regarding the MGCB, please visit their website at: www.michigan.gov/mgcb

MICHIGAN HORSEMEN’S BENEVOLENT AND PROTECTIVE ASSOCIATION ANNOUNCES MT. PLEASANT MEADOWS TO OPERATE AS TRAINING FACILITY

On March 25, 2014, the Michigan Horsemen’s Benevolent and Protective Association (“MHBPA”) announced that the Isabella County Fair Expo Board and a group of quarter horse men and women have entered into an agreement to convert and conduct Mount Pleasant Meadows as a training facility. According to the MHBPA, the

track and barn areas will be maintained by the County.

Stalls will be available beginning Tuesday, April 1, 2014 at a cost of \$1 per day. The MHBPA feels the new facility will be a benefit to many mid-state trainers who will race at Michigan's horse tracks.

Notably, on February 12, 2014, the Executive Director of the Michigan Gaming Control Board ("MGCB") issued an order accepting Mount Pleasant Meadows' ("MPM") voluntary surrender of its 2014 Mixed Breed Race Meeting License and its 2014 Simulcast Permit. According to an MGCB press release issued on February 13, 2014, the license and permit were surrendered "after MPM's Lender Group discontinued funding for simulcast operations." MPM will maintain its Track License as it seeks new funding for operations.

UPCOMING EVENTS

AGA ACCEPTING NOMINATIONS FOR THE GAMING HALL OF FAME

The American Gaming Association ("AGA") is now accepting nominations for the 2014 Gaming Hall of Fame. The Gaming Hall of Fame ceremony is an annual event to honor achievements in industry leadership and entertainment. More than 80 people have been inducted into the Gaming Hall of Fame since its inception in 1989.

The deadline for applications is April 5. For questions about the Gaming Hall of Fame, contact the AGA at (202) 552-2675. [Submit](#) your nominee today.

SOUTHERN GAMING SUMMIT SCHEDULED FOR MAY 6-8, 2014 IN BILOXI

The Southern Gaming Summit will be held in Biloxi, Mississippi on May 6-8, 2014. The event will be held jointly with BingoWorld, the world's largest bingo conference and trade show, at the Mississippi Coast Coliseum and Convention

Center.

The summit will consist of conferences, networking, and exhibit space featuring information and products related to all facets of the gaming industry. The event will begin with the Southern Gaming Summit/BingoWorld Golf Tournament on May 6, 2014 for exhibitors. Conference events begin on Wednesday and include discussions, presentations, and workshops on current issues facing the gaming industry. Featured speakers include Tilman Fertitta, CEO and Owner of Landry's, Inc. and Geoff Freeman, President and CEO of the American Gaming Association. Other events include the Global Gaming Women Luncheon, an Executive Roundtable, and numerous networking opportunities for attendees.

Gaming and hospitality industry executives, regulators, legislators, and consultants are likely to express interest in the event. For more information on the event, as well as registration information, please visit: <http://www.sgsummit.com/>.

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 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, feel free to contact Blaine DeGracia at 517-507-3857 or degracia@rmclegal.com.