

## CHARITY GAMING COMPROMISE

# State board limits charity poker games

## Deal restricts days events can be held

By Kathleen Gray

Gannett Michigan

Charity gaming will become more prolific, but available on fewer nights of the year under a compromise reached this week by the Michigan Gaming Control Board and a lawmaker who wanted charities given freer reign to use gambling as a

fundraising tool.

Currently, there are only 40 establishments in the state that host charity poker games, but they do it 365 days a year and can accommodate multiple charities on any given night. The compromise will allow just about any place — including bars, churches, schools, fraternal halls and community centers — to host the charity gaming, but only on four days a week or 208 days a year. Only one charity could participate in

a gaming night at any establishment.

The gaming control board had wanted to limit the charity events to 120 days a year.

The board also wanted to raise the number of people from a charity who had to work the events from two to five. The compromise will require three of the charities' members to work each event. Charities can sponsor up to 16 gaming nights a year and that will not change.

The number of suppliers — businesses that provide the gambling equipment and dealers — had been limited to the 30 existing suppliers, but the gaming control board lifted that moratorium on Friday.

"Gaming has always sought to insure the integrity of these games by making the charities more accountable for their operation, and to make sure only those persons licensed to pro-

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vide equipment or assist charities in running their event," said Rick Kalm, executive director of the Gaming Control Board in a statement released Friday.

"These rules will still accomplish that goal. In addition, when the rules go into effect, charities will have the freedom to hold their events where they choose."

The charity poker boom has become a big business with too few controls, said gaming control board officials when they first proposed the changes in rules. It has grown from \$7.9 million in revenue in 2004 to \$197 million in revenue in 2011. Since oversight of the charity gaming moved from the Michigan Lottery to the Gaming Control Board, charity gambling has been prohibited from at least 18 establishments because of fraud or illegal activity at the poker rooms.

The proposed com-

promises were panned by charities Friday, who said they will result in many charities losing their most significant stream of money.

"Everything about it is silly. These run seven days a week quite nicely, thank you very much," said Judy White, of the Marine City Music Festival, which uses its gaming proceeds to run an ever-shrinking music festival every summer. "These compromises don't mollify me one iota. If we can't do this kind of work unhindered, it will kill us."

For VFW post 6132 in Lansing, services to veterans, including treatment for post traumatic stress disorder, programs at the Veterans' Hospital in Battle Creek and direct services for veterans who have fallen on hard times will suffer, said Joe Potvin, a spokesman for the local VFW and a member of the Michigan Charitable Gaming Association.

"It will be a real scramble for us to try and stay open and continue to stay open and provide services to vet-

erans," he said, noting the charity gaming events raise about \$12,000 a year for the group. "We're not talking about a huge amount of money on a charity-by-charity basis, but overall, you're talking about major impacts."

State Rep. Jeff Farrington, R-Útica, introduced a bill last year that would have reversed some of the proposed rule changes because he said the proposed regulations went way too far. But with the compromise, he has agreed to table his proposed legislation.

"The rules aren't as good as what they were, but they're a heck of a lot better than what they were proposing," Farrington said. "It's still an opportunity to keep the revenue stream going for charities."

He acknowledged that the compromise will hurt established poker rooms by limiting the number of nights they're allowed to operate. And Potvin said the other available spots will find it difficult to establish charity poker rooms.

"What are you going to do? Move the gaming tables in and out constantly," Potvin said. "We only get a license for 4 days a quarter. That's a lot of work to do to cover just four days of gaming."

The compromised package of rules still has to go to the Joint Committee on Administrative Rules, a committee of 10 members of the House of Representatives and Senate.

And charities are hoping that another representative will take up their cause.

"I would like to think that some reason would prevail, but it is also an election year," Potvin said.

Farrington noted other legislators have talked about introducing legislation that would take the sting out of the gaming control board rules, "But knowing that the Snyder administration is against a bill like that, I don't know if there's enough support to get it through the Legislature."

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