Proposed letter/e-mail is below. I think we decided to send to Kalm plus the cc’s.

The MGCB website shows draft Rules revised Oct 28 (easy to find on the site, not included here due to length). The new draft does not highlight/underscore changes from prior draft, which is darn unfriendly. I saw 2 changes of note, one moving end time back to the current 2 AM from 12 PM, the other raising the # of events per location to 120 days (from 30), though the # of days is at Exec Director discretion. I did not see other changes in the Rules cited by the MCGA. I guess the MCGA will revise its comments accordingly.

I have to be in Marshall for the Rotary Foundation event at 4:00, so I won’t be at Tom’s for the discussion. Have to hit the road by 3:00. Feel free to edit at will. Drafts are starter documents.

Note, do not include any attachments to the Kalm mailing, or it will be deleted unopened. Could not find e address for Gov Snyder. Mail to Governor at P.O. Box 30013, Lansing, 48909. The other cc’s are name @senate.mi.gov or name @house.mi.gov.

Mr. Rick Kalm, Executive Director

Michigan Gaming Control Board

MGCGweb@michigan.gov

Copy to:

Senator Gretchen Whitmer

Representative Tom Cochran

Representative Sam Singh

Governor Rick Snyder

Dear Mr. Kalm:

As president of the Sunrise Rotary Club in Williamston, Michigan, I have major concerns about the MGCB’s proposed new Administrative Rules for “millionaire parties.” The Rules (October 28 version) would greatly diminish, and may well terminate altogether, our ability to raise needed funds to support important local services and projects.

We endorse MGCB’s efforts to crack down on illegal activities related to “millionaire parties.” However, the Rules should target the relatively small number of bad actors, not the vast majority of local charities that are committed to following the law and providing needed benefits to their communities. The Rules as drafted would do much more harm than good.

Charitable gaming as currently operated is, on the whole, a beautiful example of local volunteers raising funds to support local needs. Why would State Government see fit to squash these efforts? In many instances, this work was made necessary due to reduced financial support from government. Our Club donates 100% of our gaming earnings to local programs and services. If charitable gaming revenues in effect get transferred to the casinos or the State, it is doubtful that either one could administer the funds as efficiently or as mindful of local needs.

The most troublesome of the proposed Rules are:

R432.302(3) would set a 120 day maximum for “millionaire party” events to occur at a given location in a calendar year, at the discretion of the MGCB director. This would result in greatly reduced revenues (a 2/3rds cut, guys?) and perhaps also reduced number of local charities able to participate at all. The discretionary element, with no stated criteria for setting limits case to case or overall, affords too much authority without accountability. It also hampers game managers’ willingness to invest in facilities and equipment needed to maintain well-run gaming events, and hinders financial and logistical planning by charities and managers.

R432.310(6) would require that at least five members of each charity attend each daily event. Currently, our Club has two members each in three to four shifts, or six to eight people total, per event, but just two at a time. Events run afternoons through 2 AM. This number has proven adequate to handle chip and cash transactions and maintain records. Two other local charities typically participate per event (per day) as well, each handling their separate responsibilities. If the intent of the Rule is to require five persons per charity for the entire event, it would make it very difficult for us to provide the minimum personnel. We would probably have to opt out. Ours is a small club, averaging about 25 members, who have jobs, families, and other service commitments. Besides, under the current gaming program, most of the five people would be superfluous. Why waste their time? (But see below.)

R432.310(10) would require charitable organizations to handle several technical and specialized management responsibilities that are currently handled by professional game managers, such as ACES in the case of Lansing at Trippers. Most local charities, including our Club, do not have the experience or expertise to take on these duties, which include monitoring the actual gaming handling disputes between dealers and players, and others. These are responsibilities better placed in professional organizations that make it their business to acquire and retain the necessary knowledge and expertise. It seems contrary to the MGCB’s best interests to place these kinds of responsibilities in the hands of amateur part-timers.

We do thank the MGCB for retaining the 2 AM event closing time, R432.311.

In the XXX years our Club has participated in charitable gaming, we have earned about $XXX in revenues to support local projects and services in Williamston and surrounding communities such as Webberville and Dansville. We have used these funds to support Habitat for Humanity, the food kitchen, local parks, student projects at local schools, and many others. **(Editors: is there an issue as to whether gaming or duck $ supported specific projects, for purposes of this letter?)** We believe these investments of gaming revenues have met real human needs and improved the quality of life in our community. And again, 100% of our gaming revenues are used for these purposes.

We ask that you give serious attention to the concerns raised in this letter. Our Club plans to attend the November 22 **(date right?)** hearing on the proposed Rules, and looks forward to the opportunity to participate in this process.

Cordially,

Merlin Hopkins, President

Williamston Sunrise Rotary Club