

Detroit casinos must close if there is a shutdown

Detroit – The Michigan Gaming Commission has ruled that it would have to suspend the operations of Detroit's three casinos if the state is forced to shut down when the budget expires next week.

The board issued the temporary order today after hearing arguments in Detroit by the Michigan Gaming Control Board and casino representatives.

Lawyers for Greektown Casino will scrutinize the order over the next 24 hours, spokesman Roger Martin said following the meeting.

„We are extremely supportive of gaming control rules, but we're disappointed with this order,“ Martin said.

Under Michigan law, state regulators must be onsite daily to monitor operations at the MGM Grand Detroit, Greektown and MotorCity casinos.

But if a government shutdown occurs Monday because no deal is reached on a new budget for the fiscal year that starts that day, the Michigan Gaming Commission will temporarily close and no regulators will be on the job to provide oversight in any of the casinos.

Gaming Control Board Executive Director Richard Kalm argued today that without state regulators in place, the integrity of each casino would be at risk when it came to payoffs, security and patrons' safety.

Commission Chairman Damian Kassab said the commission was reluctant to make the decision for the temporary, nondisciplinary closures, but had no choice.

„We’re basically hog-tied by the Legislature,“ he said after the meeting. „This will impact very good corporate citizens. Hopefully, this will give the Legislature some incentive to do what they should have done months ago.“

The state would lose about USD 450,000 a day in taxes if the casinos are forced to close, Martin said, while the city of Detroit would lose about USD 440,000 each day in taxes. He added that each of the three Detroit casinos pays the state USD 9.25 million annually for gaming oversight.

Detroit Mayor Kwame Kilpatrick has said it’s important for the city that the casinos stay open.

A state government shutdown will not affect Michigan’s 18 Indian casinos because there’s no state oversight at those facilities.