

As Introduced

**128th General Assembly
Regular Session
2009-2010**

H. J. R. No. 6

Representative Evans

JOINT RESOLUTION

Proposing to amend Section 6 of Article XV of the 1
Constitution of the State of Ohio to require the 2
General Assembly to allow casino facilities at 3
locations that the General Assembly designates, to 4
require that licenses for these casino facilities 5
be awarded by competitive bidding by the State 6
Lottery Commission, to generally require voter 7
approval of the operation of a casino facility in 8
the county or municipal corporation in which the 9
casino facility is located, to require that a tax 10
of sixty per cent be levied and collected by the 11
state on all gross casino revenue received by each 12
casino facility operator, and to require that 13
one-half of the proceeds of this tax be used 14
solely for the support of elementary, secondary, 15
vocational, and special education programs as 16
determined in appropriations made by the General 17
Assembly and one-half of the proceeds be used 18
solely for assistance to students at certain 19
institutions of higher education. 20

Be it resolved by the General Assembly of the State of Ohio, 21
three-fifths of the members elected to each house concurring 22
herein, that there shall be submitted to the electors of the state 23

in the manner prescribed by law at the general election to be held 24
on May 4, 2010, a proposal to amend Section 6 of Article XV of the 25
Constitution of the State of Ohio to read as follows: 26

ARTICLE XV

Section 6. Except as otherwise provided in this section, 27
lotteries, and the sale of lottery tickets, for any purpose 28
whatever, shall forever be prohibited in this State. 29

(A) The General Assembly may authorize an agency of the state 30
to conduct lotteries, to sell rights to participate therein, and 31
to award prizes by chance to participants, provided that the 32
entire net proceeds of any such lottery are paid into a fund of 33
the state treasury that shall consist solely of such proceeds and 34
shall be used solely for the support of elementary, secondary, 35
vocational, and special education programs as determined in 36
appropriations made by the General Assembly. 37

(B) The General Assembly may authorize and regulate the 38
operation of bingo to be conducted by charitable organizations for 39
charitable purposes. 40

(C)(1) Casino gaming shall be authorized at ~~four~~ casino 41
facilities ~~(a single casino at a designated location within each~~ 42
~~of the cities of Cincinnati, Cleveland, Columbus and Toledo) at~~ 43
locations designated by the General Assembly to create new funding 44
~~for cities, counties, public school districts, law enforcement,~~ 45
~~the horse racing industry and job training for Ohio's workforce.~~ 46

(2) A ~~thirty-three~~ sixty percent tax shall be levied and 48
collected by the state on all gross casino revenue received by 49
each casino operator of ~~these four~~ the casino facilities. In 50
addition, casino operators, their operations, their owners, and 51
their property shall be subject to all customary 52

non-discriminatory fees, taxes, and other charges that are applied 53
to, levied against, or otherwise imposed generally upon other Ohio 54
businesses, their gross or net revenues, their operations, their 55
owners, and their property. Except as otherwise provided in 56
section 6(C), no other casino gaming-related state or local fees, 57
taxes, or other charges (however measured, calculated, or 58
otherwise derived) may be, directly or indirectly, applied to, 59
levied against, or otherwise imposed upon gross casino revenue, 60
casino operators, their operations, their owners, or their 61
property. 62

(3) The proceeds of the tax on gross casino revenue collected 63
by the state shall be ~~distributed as follows:~~ 64

~~(a) Fifty one percent of the tax on gross casino revenue 65
shall be distributed among all eighty eight counties in proportion 66
to such counties' respective populations at the time of such 67
distribution. If a county's most populated city, as of the 2000 68
United States census bureau census, had a population greater than 69
80,000, then fifty percent of that county's distribution will go 70
to said city. 71~~

~~(b) Thirty four percent of the tax on gross casino revenue 72
shall be distributed among all eighty eight counties in proportion 73
to such counties' respective public school district student 74
populations at the time of such distribution. Each such 75
distribution received by a county shall be distributed among all 76
public school districts located (in whole or in part) within such 77
county in proportion to each school district's respective student 78
population who are residents of such county at the time of such 79
distribution to the school districts. Each public school district 80
shall determine how its distributions are appropriated, but all 81
distributions shall only be used to support primary and secondary 82
education. 83~~

~~(c) Five percent of the tax on gross casino revenue shall be 84~~

~~distributed to the host city where the casino facility that 85
generated such gross casino revenue is located. 86~~

~~(d) Three percent of the tax on gross casino revenue shall be 87
distributed to fund the Ohio casino control commission. 88~~

~~(e) Three percent of the tax on gross casino revenue shall be 89
distributed to an Ohio state racing commission fund to support 90
purses, breeding programs, and operations at all existing 91
commercial horse racetracks permitted as of January 1, 2009. 92
However, no funding under this division shall be distributed to 93
operations of an Ohio commercial horse racetrack if an owner or 94
operator of the racetrack holds a majority interest in an Ohio 95
casino facility or in an Ohio casino license. 96~~

~~(f) Two percent of the tax on gross casino revenue shall be 97
distributed to a state law enforcement training fund to enhance 98
public safety by providing additional training opportunities to 99
the law enforcement community. 100~~

~~(g) Two percent of the tax on gross casino revenue shall be 101
distributed to a state problem gambling and addictions fund which 102
shall be used for the treatment of problem gambling and substance 103
abuse, and related research paid into a fund of the state treasury 104
that shall consist solely of such proceeds. One-half of such 105
proceeds shall be used solely for the support of elementary, 106
secondary, vocational, and special education programs as 107
determined in appropriations made by the General Assembly and 108
one-half of such proceeds shall be used solely for assistance to 109
students attending career colleges, community colleges, technical 110
colleges, and private regionally accredited four-year colleges. 111~~

~~Tax collection, and distributions to public school districts 112
and local governments, distribution under sections 6(C)(2) and 113
(3), are intended to supplement, not supplant, any funding 114
obligations of the state. Accordingly, all such distributions 115~~

distribution shall be disregarded for purposes of determining 116
whether funding obligations imposed by other sections of this 117
Constitution are met. 118

(4) ~~There is hereby created the Ohio casino control~~ The state 119
lottery commission ~~which~~ shall license and regulate casino 120
operators of casino facilities at locations designated by the 121
General Assembly, management companies retained by such casino 122
operators, key employees of such casino operators and such 123
management companies, gaming-related vendors, and all gaming 124
authorized by section 6(C), to ensure the integrity of casino 125
gaming. The state lottery commission shall issue licenses for 126
casino facilities based on competitive bidding. 127

~~Said commission shall determine all voting issues by majority~~ 128
~~vote and shall consist of seven members appointed by the governor~~ 129
~~with the advice and consent of the senate. Each member of the~~ 130
~~commission must be a resident of Ohio. At least one member of the~~ 131
~~commission must be experienced in law enforcement and criminal~~ 132
~~investigation. At least one member of the commission must be a~~ 133
~~certified public accountant experienced in accounting and~~ 134
~~auditing. At least one member of the commission must be an~~ 135
~~attorney admitted to the practice of law in Ohio. At least one~~ 136
~~member of the commission must be a resident of a county where one~~ 137
~~of the casino facilities is located. Not more than four members~~ 138
~~may be affiliated with the same political party. No commission~~ 139
~~member may have any affiliation with an Ohio casino operator or~~ 140
~~facility.~~ 141

~~Said~~ The commission shall require each initial licensed 142
casino operator of each of the ~~four~~ casino facilities to pay an 143
upfront license fee of ~~fifty million dollars (\$50,000,000) per~~ 144
~~casino facility for the benefit of the state, for a total of two~~ 145
~~hundred million dollars (\$200,000,000). The upfront license fee~~ 146
~~shall be used to fund state economic development programs which~~ 147

~~support regional job training efforts to equip Ohio's workforce~~ 148
~~with additional skills to grow the economy~~ that shall be set by 149
the commission. 150

To carry out the tax provisions of section 6(C), and in 151
addition to any other enforcement powers provided under Ohio law, 152
the tax commissioner of the State and the ~~Ohio casino control~~ 153
commission, or any person employed by the tax commissioner or ~~said~~ 154
the commission for that purpose, upon demand, may inspect books, 155
accounts, records, and memoranda of any person subject to such 156
provisions, and may examine under oath any officer, agent, or 157
employee of that person. 158

(5) Each initial licensed casino operator of each of the ~~four~~ 159
casino facilities shall make an initial investment of at least two 160
hundred fifty million dollars (\$250,000,000) for the development 161
of each casino facility ~~for a total minimum investment of one~~ 162
~~billion dollars (\$1,000,000,000) statewide.~~ A casino operator: (a) 163
may not hold a majority interest in more than two of the ~~four~~ 164
licenses allocated to the casino facilities at any one time; and 165
(b) may not hold a majority interest in more than two of the ~~four~~ 166
casino facilities at any one time. 167

(6) Casino gaming authorized in section 6(C) shall be 168
conducted only by licensed casino operators of the ~~four~~ casino 169
facilities or by licensed management companies retained by such 170
casino operators. At the discretion of each licensed casino 171
operator of a casino facility: (a) casino gaming may be conducted 172
twenty-four hours each day; and (b) a maximum of five thousand 173
slot machines may be operated at such casino facility. 174

(7) Each of the ~~four~~ casino facilities shall be subject to 175
all applicable state laws and local ordinances related to health 176
and building codes, or any related requirements and provisions. 177
Notwithstanding the foregoing, no local zoning, land use laws, 178
subdivision regulations or similar provisions shall prohibit the 179

development or operation of the ~~four~~ casino facilities set forth 180
herein, provided that no casino facility shall be located in a 181
district zoned exclusively residential as of January 1, 2009. 182

(8) ~~Notwithstanding any provision of the Constitution,~~ 183
~~statutes of Ohio, or a local charter and ordinance, only one~~ 184
~~casino facility shall be operated in each of the cities of~~ 185
~~Cleveland, Columbus, Cincinnati and Toledo~~ Except as otherwise 186
provided in division (C)(8) of this section, the electors of each 187
county and each municipal corporation shall approve the licensing 188
and operation of casino gaming within the county or municipal 189
corporation before casino gaming may be conducted in that county 190
or municipal corporation. The question to be submitted to the 191
electors of the county or municipal corporation at a primary, 192
general, or special election shall read as follows: 193

"Shall casino gaming be authorized within this (county) 194
(municipal corporation)?" 195

Only if a majority of the electors voting on the question 196
vote "yes," shall casino gaming be allowed to be conducted in that 197
county or municipal corporation as authorized by this section. 198

Division (C)(8) does not apply to a casino facility located 199
in the cities of Cleveland, Columbus, Cincinnati, or Toledo. 200

(9) For purposes of this section 6(C), the following 201
definitions shall be applied: 202

"Casino facility" means all or any part of any one or more ~~of~~ 203
~~the following~~ properties (together with all improvements situated 204
thereon) ~~in Cleveland, Cincinnati, Columbus and Toledo:~~ 205

~~(a) Cleveland:~~ 206

~~Being an approximate 61 acre area in Cuyahoga County, Ohio,~~ 207
~~as identified by the Cuyahoga County Auditor, as of 02/27/09, as~~ 208
~~tax parcel numbers 004-28-001, 004-29-004A, 004-29-005,~~ 209

~~004 29 008, 004 29 009, 004 29 010, 004 29 012, 004 29 013,~~ 210
~~004 29 014, 004 29 020, 004 29 018, 004 29 017, 004 29 016,~~ 211
~~004 29 021, 004 29 025, 004 29 027, 004 29 026, 004 28 008,~~ 212
~~004 28 004, 004 28 003, 004 28 002, 004 28 010, 004 29 001,~~ 213
~~004 29 007 and 004 04 017 and all lands and air rights lying~~ 214
~~within and/or above the public rights of way adjacent to such~~ 215
~~parcels.~~ 216

~~Being an approximate 8.66 acre area in Cuyahoga County, Ohio,~~ 217
~~being that parcel identified by the Cuyahoga County Auditor, as of~~ 218
~~02/27/09, as tax parcel number 101 21 002 and all lands and air~~ 219
~~rights lying within and/or above the public rights of way adjacent~~ 220
~~to such parcel.~~ 221

~~Being an approximate 2.56 acre area in Cuyahoga County, Ohio,~~ 222
~~being that parcel identified by the Cuyahoga County Auditor, as of~~ 223
~~02/27/09, as tax parcel number 101 21 002 and all lands and air~~ 224
~~rights lying within and/or above the public rights of way adjacent~~ 225
~~to such parcel.~~ 226

~~Being an approximate 7.91 acre area in Cuyahoga County, Ohio,~~ 227
~~being that parcel identified by the Cuyahoga County Auditor, as of~~ 228
~~02/27/09, as tax parcel number 101 23 050A and all lands and air~~ 229
~~rights lying within and/or above the public rights of way adjacent~~ 230
~~to such parcel.~~ 231

~~All air rights above the parcel located in Cuyahoga County,~~ 232
~~Ohio identified by the Cuyahoga County Auditor, as of 02/27/09, as~~ 233
~~tax parcel number 101 22 003.~~ 234

~~Being an approximate 1.55 acre area in Cuyahoga County, Ohio,~~ 235
~~as identified by the Cuyahoga County Auditor, as of 02/27/09, as~~ 236
~~tax parcel numbers 122 18 010, 122 18 011 and 122 18 012 and all~~ 237
~~lands and air rights lying within and/or above the public rights~~ 238
~~of way adjacent to such parcels.~~ 239

~~Being an approximate 1.83 acre area in Cuyahoga County, Ohio,~~ 240

~~as identified by the Cuyahoga County Auditor, as of 02/27/09, as 241
tax parcel numbers 101 30 002 and 101 30 003 and all lands and air 242
rights lying within and/or above the public rights of way adjacent 243
to such parcels. 244~~

~~Consisting of floors one through four, mezzanine, basement, 245
sub-basement, Parcel No. 36-2, Item III, Parcels First and Second, 246
Item V, Parcel A, and Item VI, Parcel One of the Higbee Building 247
in Cuyahoga County, Ohio, as identified by the Cuyahoga County 248
Auditor, as of 2/29/09, as tax parcel numbers 101-23-002 and 249
101-23-050F and all lands and air rights lying within and/or above 250
the public rights of way adjacent to such parcels. 251~~

~~(b) Columbus: 252~~

~~Being an approximate 18.312 acre area in the City of 253
Columbus, Franklin County, Ohio, as identified by the Franklin 254
County Auditor, as of 03/05/09, as tax parcel numbers 255
010-005518-80, 010-005518-90, 010-020215-80, 010-020215-90, 256
010-008443-80 and 010-008443-90. 257~~

~~(c) Cincinnati: 258~~

~~Being an approximate 20.4 acre area in Hamilton County, Ohio, 259
being identified by the Hamilton County Auditor, as of 02/27/09, 260
as tax parcel numbers 074-0002-0009-00, 074-0001-0001-00, 261
074-0001-0002-00, 074-0001-0003-00, 074-0001-0004-00, 262
074-0001-0006-00, 074-0001-0008-00, 074-0001-0014-00, 263
074-0001-0016-00, 074-0001-0031-00, 074-0001-0039-00, 264
074-0001-0041-00, 074-0001-0042-00, 074-0001-0043-00, 265
074-0002-0001-00, 074-0004-0001-00, 074-0004-0002-00, 266
074-0004-0003-00 and 074-0005-0003-00. 267~~

~~(d) Toledo: 268~~

~~Being an approximate 44.24 acre area in the City of Toledo, 269
Lucas County, Ohio, as identified by the Lucas County Auditor, as 270
of 03/05/09, as tax parcel numbers 18-76138 and 18-76515 at 271~~

locations designated by the General Assembly. 272

"Casino gaming" means any type of slot machine or table game 273
wagering, using money, casino credit, or any representative of 274
value, authorized in any of the states of Indiana, Michigan, 275
Pennsylvania and West Virginia as of January 1, 2009, and shall 276
include slot machine and table game wagering subsequently 277
authorized by, but shall not be limited by subsequent restrictions 278
placed on such wagering in, such states. Notwithstanding the 279
aforementioned definition, "casino gaming" does not include bingo, 280
as authorized in article XV, section 6 of the Ohio Constitution 281
and conducted as of January 1, 2009, or horse racing where the 282
pari-mutuel system of wagering is conducted, as authorized under 283
the laws of Ohio as of January 1, 2009. 284

"Casino operator" means any person, trust, corporation, 285
partnership, limited partnership, association, limited liability 286
company or other business enterprise that directly holds an 287
ownership or leasehold interest in a casino facility. "Casino 288
operator" does not include an agency of the state, any political 289
subdivision of the state, or any person, trust, corporation, 290
partnership, limited partnership, association, limited liability 291
company or other business enterprise that may have an interest in 292
a casino facility, but who is legally or contractually restricted 293
from conducting casino gaming. 294

"Gross casino revenue" means the total amount of money 295
exchanged for the purchase of chips, tokens, tickets, electronic 296
cards, or similar objects by casino patrons, less winnings paid to 297
wagerers. 298

"Majority interest" in a license or in a casino facility (as 299
the case may be) means beneficial ownership of more than fifty 300
percent (50%) of the total fair market value of such license or 301
casino facility (as the case may be). For purposes of the 302
foregoing, whether a majority interest is held in a license or in 303

a casino facility (as the case may be) shall be determined in 304
accordance with the rules for constructive ownership of stock 305
provided in Treas. Reg. § 1.409A-3(i)(5)(iii) as in effect on 306
January 1, 2009. 307

"Slot machines" shall include any mechanical, electrical, or 308
other device or machine which, upon insertion of a coin, token, 309
ticket, or similar object, or upon payment of any consideration, 310
is available to play or operate, the play or operation of which, 311
whether by reason of the skill of the operator or application of 312
the element of chance, or both, makes individual prize 313
determinations for individual participants in cash, premiums, 314
merchandise, tokens, or any thing of value, whether the payoff is 315
made automatically from the machine or in any other manner. 316

"Table game" means any game played with cards, dice, or any 317
mechanical, electromechanical, or electronic device or machine for 318
money, casino credit, or any representative of value. 319

(10) The General Assembly shall pass laws within six months 320
of the effective date of section 6(C) to ~~facilitate~~ implement the 321
operation of section 6(C). 322

(11) Each provision of section 6(C) is intended to be 323
independent and severable, and if any provision of section 6(C) is 324
held to be invalid, either on its face or as applied to any person 325
or circumstance, the remaining provisions of section 6(C), and the 326
application thereof to any person or circumstance other than those 327
to which it is held invalid, shall not be affected thereby. In any 328
case of a conflict between any provision of section 6(C) and any 329
other provision contained in this Constitution, the provisions of 330
section 6(C) shall control. 331

(12) Notwithstanding the provisions of section 6(C)(11), 332
nothing in this section 6(C) (including, without limitation, the 333
provisions of ~~sections~~ section 6(C)(6) and ~~6(C)(8)~~) shall restrict 334

or in any way limit lotteries authorized under section 6(A) of 335
this article or bingo authorized under section 6(B) of this 336
article. The provisions of this section 6(C) shall have no effect 337
upon activities authorized under sections 6(A) and/or (6)(B) of 338
this article. 339

EFFECTIVE DATE AND REPEAL 340

If adopted by a majority of the electors voting on this 341
proposal, the amendment takes effect July 1, 2010, and existing 342
Section 6 of Article XV of the Constitution of the State of Ohio 343
is repealed from that effective date. 344