

As Introduced

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

S. J. R. No. 8

Senators Goodman, Hughes

JOINT RESOLUTION

To amend Section 6 of Article XV of the Constitution 1
of the State of Ohio to require the General 2
Assembly to enact laws that authorize the 3
submission of a question to the electors of a 4
county on whether to approve the operation of 5
casino gaming within the county before casino 6
gaming may be conducted in that county. 7

Be it resolved by the General Assembly of the State of Ohio, 8
three-fifths of the members elected to each house concurring 9
herein, that there shall be submitted to the electors of the 10
state, in the manner prescribed by law at the special election to 11
be held on May 3, 2010, a proposal to amend Section 6 of Article 12
XV of the Constitution of the State of Ohio to read as follows: 13

ARTICLE XV

Section 6. Except as otherwise provided in this section, 14
lotteries, and the sale of lottery tickets, for any purpose 15
whatever, shall forever be prohibited in this State. 16

(A) The General Assembly may authorize an agency of the state 17
to conduct lotteries, to sell rights to participate therein, and 18
to award prizes by chance to participants, provided that the 19
entire net proceeds of any such lottery are paid into a fund of 20
the state treasury that shall consist solely of such proceeds and 21
shall be used solely for the support of elementary, secondary, 22

vocational, and special education programs as determined in 23
appropriations made by the General Assembly. 24

(B) The General Assembly may authorize and regulate the 25
operation of bingo to be conducted by charitable organizations for 26
charitable purposes. 27

(C)(1) Casino gaming shall be authorized as provided in 28
division (C)(1) of this section at four casino facilities (a 29
single casino at a designated location within each of the cities 30
of Cincinnati, Cleveland, Columbus and Toledo) to create new 31
funding for cities, counties, public school districts, law 32
enforcement, the horse racing industry and job training for Ohio's 33
workforce. 34

The General Assembly shall enact laws that authorize the 35
submission of a question to the electors of a county on whether to 36
approve the operation of casino gaming within the county before 37
casino gaming may be conducted in that county. 38

(2) A thirty-three percent tax shall be levied and collected 39
by the state on all gross casino revenue received by each casino 40
operator of these four casino facilities. In addition, casino 41
operators, their operations, their owners, and their property 42
shall be subject to all customary non-discriminatory fees, taxes, 43
and other charges that are applied to, levied against, or 44
otherwise imposed generally upon other Ohio businesses, their 45
gross or net revenues, their operations, their owners, and their 46
property. Except as otherwise provided in section 6(C), no other 47
casino gaming-related state or local fees, taxes, or other charges 48
(however measured, calculated, or otherwise derived) may be, 49
directly or indirectly, applied to, levied against, or otherwise 50
imposed upon gross casino revenue, casino operators, their 51
operations, their owners, or their property. 52

(3) The proceeds of the tax on gross casino revenue collected 53

by the state shall be distributed as follows: 54

(a) Fifty-one percent of the tax on gross casino revenue 55
shall be distributed among all eighty-eight counties in proportion 56
to such counties' respective populations at the time of such 57
distribution. If a county's most populated city, as of the 2000 58
United States census bureau census, had a population greater than 59
80,000, then fifty percent of that county's distribution will go 60
to said city. 61

(b) Thirty-four percent of the tax on gross casino revenue 62
shall be distributed among all eighty-eight counties in proportion 63
to such counties' respective public school district student 64
populations at the time of such distribution. Each such 65
distribution received by a county shall be distributed among all 66
public school districts located (in whole or in part) within such 67
county in proportion to each school district's respective student 68
population who are residents of such county at the time of such 69
distribution to the school districts. Each public school district 70
shall determine how its distributions are appropriated, but all 71
distributions shall only be used to support primary and secondary 72
education. 73

(c) Five percent of the tax on gross casino revenue shall be 74
distributed to the host city where the casino facility that 75
generated such gross casino revenue is located. 76

(d) Three percent of the tax on gross casino revenue shall be 77
distributed to fund the Ohio casino control commission. 78

(e) Three percent of the tax on gross casino revenue shall be 79
distributed to an Ohio state racing commission fund to support 80
purses, breeding programs, and operations at all existing 81
commercial horse racetracks permitted as of January 1, 2009. 82
However, no funding under this division shall be distributed to 83
operations of an Ohio commercial horse racetrack if an owner or 84

operator of the racetrack holds a majority interest in an Ohio 85
casino facility or in an Ohio casino license. 86

(f) Two percent of the tax on gross casino revenue shall be 87
distributed to a state law enforcement training fund to enhance 88
public safety by providing additional training opportunities to 89
the law enforcement community. 90

(g) Two percent of the tax on gross casino revenue shall be 91
distributed to a state problem gambling and addictions fund which 92
shall be used for the treatment of problem gambling and substance 93
abuse, and related research. 94

Tax collection, and distributions to public school districts 95
and local governments, under sections 6(C)(2) and (3), are 96
intended to supplement, not supplant, any funding obligations of 97
the state. Accordingly, all such distributions shall be 98
disregarded for purposes of determining whether funding 99
obligations imposed by other sections of this Constitution are 100
met. 101

(4) There is hereby created the Ohio casino control 102
commission which shall license and regulate casino operators, 103
management companies retained by such casino operators, key 104
employees of such casino operators and such management companies, 105
gaming-related vendors, and all gaming authorized by section 6(C), 106
to ensure the integrity of casino gaming. 107

Said commission shall determine all voting issues by majority 108
vote and shall consist of seven members appointed by the governor 109
with the advice and consent of the senate. Each member of the 110
commission must be a resident of Ohio. At least one member of the 111
commission must be experienced in law enforcement and criminal 112
investigation. At least one member of the commission must be a 113
certified public accountant experienced in accounting and 114
auditing. At least one member of the commission must be an 115

attorney admitted to the practice of law in Ohio. At least one 116
member of the commission must be a resident of a county where one 117
of the casino facilities is located. Not more than four members 118
may be affiliated with the same political party. No commission 119
member may have any affiliation with an Ohio casino operator or 120
facility. 121

Said commission shall require each initial licensed casino 122
operator of each of the four casino facilities to pay an upfront 123
license fee of fifty million dollars (\$50,000,000) per casino 124
facility for the benefit of the state, for a total of two hundred 125
million dollars (\$200,000,000). The upfront license fee shall be 126
used to fund state economic development programs which support 127
regional job training efforts to equip Ohio's workforce with 128
additional skills to grow the economy. 129

To carry out the tax provisions of section 6(C), and in 130
addition to any other enforcement powers provided under Ohio law, 131
the tax commissioner of the State and the Ohio casino control 132
commission, or any person employed by the tax commissioner or said 133
commission for that purpose, upon demand, may inspect books, 134
accounts, records, and memoranda of any person subject to such 135
provisions, and may examine under oath any officer, agent, or 136
employee of that person. 137

(5) Each initial licensed casino operator of each of the four 138
casino facilities shall make an initial investment of at least two 139
hundred fifty million dollars (\$250,000,000) for the development 140
of each casino facility for a total minimum investment of one 141
billion dollars (\$1,000,000,000) statewide. A casino operator: (a) 142
may not hold a majority interest in more than two of the four 143
licenses allocated to the casino facilities at any one time; and 144
(b) may not hold a majority interest in more than two of the four 145
casino facilities at any one time. 146

(6) Casino gaming authorized in section 6(C) shall be 147

conducted only by licensed casino operators of the four casino facilities or by licensed management companies retained by such casino operators. At the discretion of each licensed casino operator of a casino facility: (a) casino gaming may be conducted twenty-four hours each day; and (b) a maximum of five thousand slot machines may be operated at such casino facility.

(7) Each of the four casino facilities shall be subject to all applicable state laws and local ordinances related to health and building codes, or any related requirements and provisions. Notwithstanding the foregoing, no local zoning, land use laws, subdivision regulations or similar provisions shall prohibit the development or operation of the four casino facilities set forth herein, provided that no casino facility shall be located in a district zoned exclusively residential as of January 1, 2009.

(8) Notwithstanding any provision of the Constitution, statutes of Ohio, or a local charter and ordinance, only one casino facility shall be operated in each of the cities of Cleveland, Columbus, Cincinnati and Toledo.

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

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

(a) Cleveland:

Being an approximate 61 acre area in Cuyahoga County, Ohio, as identified by the Cuyahoga County Auditor, as of 02/27/09, as tax parcel numbers 004-28-001, 004-29-004A, 004-29-005, 004-29-008, 004-29-009, 004-29-010, 004-29-012, 004-29-013, 004-29-014, 004-29-020, 004-29-018, 004-29-017, 004-29-016, 004-29-021, 004-29-025, 004-29-027, 004-29-026, 004-28-008, 004-28-004, 004-28-003, 004-28-002, 004-28-010, 004-29-001,

004-29-007 and 004-04-017 and all lands and air rights lying 179
within and/or above the public rights of way adjacent to such 180
parcels. 181

Being an approximate 8.66 acre area in Cuyahoga County, Ohio, 182
being that parcel identified by the Cuyahoga County Auditor, as of 183
02/27/09, as tax parcel number 101-21-002 and all lands and air 184
rights lying within and/or above the public rights of way adjacent 185
to such parcel. 186

Being an approximate 2.56 acre area in Cuyahoga County, Ohio, 187
being that parcel identified by the Cuyahoga County Auditor, as of 188
02/27/09, as tax parcel number 101-21-002 and all lands and air 189
rights lying within and/or above the public rights of way adjacent 190
to such parcel. 191

Being an approximate 7.91 acre area in Cuyahoga County, Ohio, 192
being that parcel identified by the Cuyahoga County Auditor, as of 193
02/27/09, as tax parcel number 101-23-050A and all lands and air 194
rights lying within and/or above the public rights of way adjacent 195
to such parcel. 196

All air rights above the parcel located in Cuyahoga County, 197
Ohio identified by the Cuyahoga County Auditor, as of 02/27/09, as 198
tax parcel number 101-22-003. 199

Being an approximate 1.55 acre area in Cuyahoga County, Ohio, 200
as identified by the Cuyahoga County Auditor, as of 02/27/09, as 201
tax parcel numbers 122-18-010, 122-18-011 and 122-18-012 and all 202
lands and air rights lying within and/or above the public rights 203
of way adjacent to such parcels. 204

Being an approximate 1.83 acre area in Cuyahoga County, Ohio, 205
as identified by the Cuyahoga County Auditor, as of 02/27/09, as 206
tax parcel numbers 101-30-002 and 101-30-003 and all lands and air 207
rights lying within and/or above the public rights of way adjacent 208
to such parcels. 209

Consisting of floors one through four, mezzanine, basement, 210
sub-basement, Parcel No. 36-2, Item III, Parcels First and Second, 211
Item V, Parcel A, and Item VI, Parcel One of the Higbee Building 212
in Cuyahoga County, Ohio, as identified by the Cuyahoga County 213
Auditor, as of 2/29/09, as tax parcel numbers 101-23-002 and 214
101-23-050F and all lands and air rights lying within and/or above 215
the public rights of way adjacent to such parcels. 216

(b) Columbus: 217

Being an approximate 18.312 acre area in the City of 218
Columbus, Franklin County, Ohio, as identified by the Franklin 219
County Auditor, as of 03/05/09, as tax parcel numbers 220
010-005518-80, 010-005518-90, 010-020215-80, 010-020215-90, 221
010-008443-80 and 010-008443-90. 222

(c) Cincinnati; 223

Being an approximate 20.4 acre area in Hamilton County, Ohio, 224
being identified by the Hamilton County Auditor, as of 02/27/09, 225
as tax parcel numbers 074-0002-0009-00, 074-0001-0001-00, 226
074-0001-0002-00, 074-0001-0003-00, 074-0001-0004-00, 227
074-0001-0006-00, 074-0001-0008-00, 074-0001-0014-00, 228
074-0001-0016-00, 074-0001-0031-00, 074-0001-0039-00, 229
074-0001-0041-00, 074-0001-0042-00, 074-0001-0043-00, 230
074-0002-0001-00, 074-0004-0001-00, 074-0004-0002-00, 231
074-0004-0003-00 and 074-0005-0003-00. 232

(d) Toledo: 233

Being an approximate 44.24 acre area in the City of Toledo, 234
Lucas County, Ohio, as identified by the Lucas County Auditor, as 235
of 03/05/09, as tax parcel numbers 18-76138 and 18-76515. 236

"Casino gaming" means any type of slot machine or table game 237
wagering, using money, casino credit, or any representative of 238
value, authorized in any of the states of Indiana, Michigan, 239
Pennsylvania and West Virginia as of January 1, 2009, and shall 240

include slot machine and table game wagering subsequently 241
authorized by, but shall not be limited by subsequent restrictions 242
placed on such wagering in, such states. Notwithstanding the 243
aforementioned definition, "casino gaming" does not include bingo, 244
as authorized in article XV, section 6 of the Ohio Constitution 245
and conducted as of January 1, 2009, or horse racing where the 246
pari-mutuel system of wagering is conducted, as authorized under 247
the laws of Ohio as of January 1, 2009. 248

"Casino operator" means any person, trust, corporation, 249
partnership, limited partnership, association, limited liability 250
company or other business enterprise that directly holds an 251
ownership or leasehold interest in a casino facility. "Casino 252
operator" does not include an agency of the state, any political 253
subdivision of the state, or any person, trust, corporation, 254
partnership, limited partnership, association, limited liability 255
company or other business enterprise that may have an interest in 256
a casino facility, but who is legally or contractually restricted 257
from conducting casino gaming. 258

"Gross casino revenue" means the total amount of money 259
exchanged for the purchase of chips, tokens, tickets, electronic 260
cards, or similar objects by casino patrons, less winnings paid to 261
wagerers. 262

"Majority interest" in a license or in a casino facility (as 263
the case may be) means beneficial ownership of more than fifty 264
percent (50%) of the total fair market value of such license or 265
casino facility (as the case may be). For purposes of the 266
foregoing, whether a majority interest is held in a license or in 267
a casino facility (as the case may be) shall be determined in 268
accordance with the rules for constructive ownership of stock 269
provided in Treas. Reg. § 1.409A-3(i)(5)(iii) as in effect on 270
January 1, 2009. 271

"Slot machines" shall include any mechanical, electrical, or 272

other device or machine which, upon insertion of a coin, token, 273
ticket, or similar object, or upon payment of any consideration, 274
is available to play or operate, the play or operation of which, 275
whether by reason of the skill of the operator or application of 276
the element of chance, or both, makes individual prize 277
determinations for individual participants in cash, premiums, 278
merchandise, tokens, or any thing of value, whether the payoff is 279
made automatically from the machine or in any other manner. 280

"Table game" means any game played with cards, dice, or any 281
mechanical, electromechanical, or electronic device or machine for 282
money, casino credit, or any representative of value. 283

(10) The General Assembly shall pass laws within six months 284
of the effective date of section 6(C) to facilitate the operation 285
of section 6(C). 286

(11) Each provision of section 6(C) is intended to be 287
independent and severable, and if any provision of section 6(C) is 288
held to be invalid, either on its face or as applied to any person 289
or circumstance, the remaining provisions of section 6(C), and the 290
application thereof to any person or circumstance other than those 291
to which it is held invalid, shall not be affected thereby. In any 292
case of a conflict between any provision of section 6(C) and any 293
other provision contained in this Constitution, the provisions of 294
section 6(C) shall control. 295

(12) Notwithstanding the provisions of section 6(C)(11), 296
nothing in this section 6(C) (including, without limitation, the 297
provisions of sections 6(C)(6) and 6(C)(8)) shall restrict or in 298
any way limit lotteries authorized under section 6(A) of this 299
article or bingo authorized under section 6(B) of this article. 300
The provisions of this section 6(C) shall have no effect upon 301
activities authorized under sections 6(A) and/or (6)(B) of this 302
article. 303

EFFECTIVE DATE AND REPEAL 304

If adopted by a majority of the electors voting on this 305
proposal, the amendment takes effect on June 1, 2010, and existing 306
Section 6 of Article XV of the Constitution of the State of Ohio 307
is repealed from that effective date. 308