

OHIO ISSUES REPORT

STATE ISSUE BALLOT INFORMATION FOR THE
MAY 4, 2010, PRIMARY ELECTION



DISTRIBUTED BY THE OHIO SECRETARY OF STATE

Spring 2010

Dear Voter,

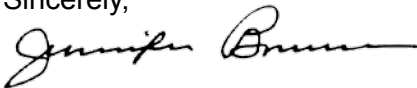
The "Ohio Issues Report" gives Ohioans an opportunity to review the full text and ballot language of the state issues that will appear on the May 4, 2010, Ohio ballot. This publication also provides an opportunity for Ohioans to consider the explanations about the issues and to compare the arguments for and against the issues.

The bipartisan Ohio Ballot Board prescribed the ballot language for the issues.

Legislators appointed by the Ohio General Assembly prepared the arguments favoring each issue. Due to the absence of any submissions in opposition to the issues, the Ohio Ballot Board prepared the arguments against each issue. Regardless of the source of the arguments, the Ohio Ballot Board does not take positions for or against issues.

We urge all Ohioans to study the issues carefully before voting. Please remember to bring a current, valid form of identification when you go to vote at the polls.

Sincerely,



Jennifer Brunner
Ohio Secretary of State

OHIO BALLOT BOARD

Ohio Secretary of State Jennifer Brunner, Chairperson
William N. Morgan, Vice-Chairperson
Senator Keith Faber
Senator Fred Strahorn
Rebecca L. Egelhoff, Esq.

TABLE OF CONTENTS

Issue 11

PROPOSED CONSTITUTIONAL AMENDMENT

TO EXTEND THE OHIO THIRD FRONTIER PROGRAM BY
AUTHORIZING THE ISSUANCE OF ADDITIONAL GENERAL
OBLIGATION BONDS TO PROMOTE ECONOMIC GROWTH

Issue 210

PROPOSED CONSTITUTIONAL AMENDMENT

TO CHANGE THE LOCATION OF THE COLUMBUS CASINO
FACILITY AUTHORIZED BY PREVIOUS STATEWIDE VOTE

1 PROPOSED CONSTITUTIONAL AMENDMENT

TO EXTEND THE OHIO THIRD FRONTIER PROGRAM BY AUTHORIZING THE ISSUANCE OF ADDITIONAL GENERAL OBLIGATION BONDS TO PROMOTE ECONOMIC GROWTH

Proposed by Joint Resolution of the General Assembly

To amend Section 2p of Article VIII Constitution of the State of Ohio

This proposed amendment would:

- Continue funding for research and development purposes by authorizing the state to issue \$700 million of general obligation bonds to renew and continue programs for research and development in support of Ohio industry, commerce, and business.
- Limit the amount of all state general obligations that may be issued for, and the amounts of proceeds from those state general obligations that may be committed to, those research and development purposes, to no more than \$450 million total for the period including state fiscal years 2006 through 2011, no more than \$225 million in fiscal year 2012 and no more than \$175 million in any fiscal year thereafter, plus any amounts that in any prior fiscal year could have been but were not issued or committed.
- Require state agencies awarding funding from those state general obligations to obtain independent reviews of and recommendations as to the merits of proposed research and development projects. The Governor, the President and Minority Leader of the Senate, and the Speaker and Minority Leader of the House of Representatives must be provided information regarding the independent reviewer prior to any award, and the state agency proposing the award must also notify those officials if the recommendations of an independent reviewer are not adopted by that state agency for the proposed project and the reasons for not adopting those recommendations.

If adopted, this amendment shall take effect immediately.

A "YES" vote means approval of the amendment.

A "NO" vote means disapproval of the amendment.

A majority YES vote is required for the amendment to be adopted.

SHALL THE PROPOSED AMENDMENT BE APPROVED?

YES

NO

EXPLANATION**ISSUE 1****PROPOSED CONSTITUTIONAL AMENDMENT****TO EXTEND THE OHIO THIRD FRONTIER PROGRAM BY
AUTHORIZING THE ISSUANCE OF ADDITIONAL GENERAL
OBLIGATION BONDS TO PROMOTE ECONOMIC GROWTH****Proposed by Joint Resolution of the General Assembly****To amend Section 2p of Article VIII Constitution of the State of Ohio**

At the November 8, 2005, General Election, Ohio voters approved an amendment to the Ohio Constitution to, among other things, authorize general obligation bonds to fund research and development. This bond program became part of the Ohio Third Frontier economic development program to create and preserve jobs.

The purpose of the Ohio Third Frontier is to attract and promote private technology investment and consequently, create jobs and enhance educational opportunities. The Ohio Third Frontier seeks to promote investments to support technology areas that represent economic growth for Ohio, particularly in energy, biomedical, advanced materials, electronics and advanced propulsion. The proceeds from bonds fund research and development efforts by Ohio businesses, in cooperation with universities and research institutions, to create and bring to market new products and services.

The amendment limits the amount of state general obligations that may be issued for, and the amounts of proceeds from those state general obligations that may be committed to, those research and development purposes, to no more than \$450 million total for the period including state fiscal years 2006 through 2011, no more than \$225 million in fiscal year 2012 and no more than \$175 million in any fiscal year thereafter, plus any amounts that in any prior fiscal year could have been but were not issued or committed. The interest and principal of these bonds will be repaid by the state's full faith and credit, revenues, and taxing power.

In addition, the amendment would require independent oversight of proposed research and development projects. The amendment would require state agencies awarding funding from these state general obligations to obtain independent reviews of and recommendations as to the merits of proposed research and development projects. The amendment would require that the Governor, the President and Minority Leader of the Senate, and the Speaker and Minority Leader of the House of Representatives must be provided information regarding the independent reviewer prior to any award, and the state agency proposing the award must also notify those officials if the recommendations of an independent reviewer are not adopted by that state agency for the proposed project and the reasons for not adopting those recommendations.

If approved, this amendment would take effect immediately.

Official Issue 1 Argument in Favor**VOTE FOR JOBS!
VOTE YES ON ISSUE 1**

A YES VOTE on ISSUE 1 will extend Ohio's highly successful Third Frontier program.

Issue 1 promotes economic growth and job development by supporting Ohio entrepreneurs, and research and development projects that boost the competitiveness of Ohio businesses, small and large.

The Issue 1 renewal of the Third Frontier means continued investment in technology and innovation that has already created 48,000 new jobs and hundreds of new and expanded companies.

Approval of Issue 1 will provide research and development leading to new jobs:

- That save lives through advances in medicine,
- Promote independence from foreign oil through green and advanced energy projects,
- Develop better and more innovative products for consumers through advanced materials design, and
- Support Ohio's farmers and food companies.

ISSUE 1 WILL NOT INCREASE TAXES. Rather, by expanding Ohio's job base, it will generate new revenues for state and local governments which will more than compensate for any debt incurred.

The investment in technology and innovation made possible by the Third Frontier has kept its promise to Ohio taxpayers. It has earned renewal so it can continue to provide technology advances and jobs, helping Ohio working men and women and strengthening Ohio businesses, small and large.

Independent evaluations of the Third Frontier confirm that the program works and has proven itself. Especially in these troubled times, we need proven, accountable jobs programs that produce results and produce the jobs that Ohioans need and want. By an overwhelming majority, Democrats and Republicans in the Ohio Legislature supported approval of Issue 1. Business, labor, academic and health care organizations, agriculture, nonprofit and local government leaders in Ohio are united in support of Issue 1.

Join them!

Vote YES to create jobs in Ohio.

Vote YES on Issue 1.

Submitted by: Representatives Sandra Williams, Jay Goyal, and Ron Amstutz, and Senators Kirk Schuring, David Goodman, and Dale Miller

Argument Against Issue 1**Vote No on Issue 1**

Issue 1 means more spending and more debt by Ohio's state government. The current Third Frontier Program is authorized to issue \$500 million in bonds over 10 years. Issue 1 would allow for an additional \$700 million in state bonds (state debt) to be issued over four years in addition to what is left under the current program.

This debt will need to be repaid from future state budgets costing already strapped state budgets millions of dollars each year. That is money Ohio doesn't have and can't afford.

Some debt is good. Most of us have to borrow to buy major items such as a house or car. Governments borrow, too, for schools, roads and other major improvements.

Too much debt is bad. The State of Ohio has a debt limitation in its constitution to prevent too much debt by our state government. However, the bonds that would be issued under Issue 1 are not subject to this constitutional limitation.

The current Third Frontier 10-year program doesn't end until 2012. Some say we need more money now to convince private investors to keep investing in these state funded projects and to attract federal government funding.

The Third Frontier Program allows the State of Ohio to pick winners and losers from the private sector to receive state dollars. While many worthwhile programs may receive funding from this issue, private investments and not public dollars are better situated for such efforts. The Ohio Third Frontier doesn't provide quick relief for our current economic conditions and can wait for now.

Vote No

Prepared by the Ohio Ballot Board in the absence of any submission in opposition as required by Ohio Revised Code 3505.063(B), the Ohio Ballot Board does not take positions for or against ballot issues.

**Full text of the proposed
amendment to the Constitution**

(128th General Assembly)
(Amended Substitute House Joint
Resolution Number 12)

JOINT RESOLUTION

Proposing to amend Section 2p of Article VIII of the Constitution of the State of Ohio to permit the issuance of additional general obligation bonds to fund research and development.

Be it resolved by the General Assembly of the State of Ohio, three-fifths of the members elected to each house concurring herein, that there shall be submitted to the electors of the state, in the manner prescribed by law at the special election to be held on May 4, 2010, a proposal to amend Section 2p of Article VIII of the Constitution of the State of Ohio to read as follows:

Article VIII

Section 2p. (A) It is determined and confirmed that the development purposes referred to in this division, and provisions for them, are proper public purposes of the state and local governmental entities and are necessary and appropriate means to create and preserve jobs and enhance employment and educational opportunities; to improve the quality of life and the general and economic well-being of all the people and businesses in all areas of this state, including economically disadvantaged businesses and individuals; and to preserve and expand the public capital infrastructure; all to better ensure the public health, safety, and welfare. Those purposes are:

(1) Public infrastructure capital improvements, which shall be limited to roads and bridges, waste water treatment systems, water supply systems, solid waste

disposal facilities, and storm water and sanitary collection, storage, and treatment facilities, including real property, interests in real property, facilities, and equipment related to or incidental thereto, and shall include, without limitation, the cost of acquisition, construction, reconstruction, expansion, improvement, planning, and equipping;

(2) Research and development in support of Ohio industry, commerce, and business (hereinafter referred to as “research and development purposes”), which shall include, without limitation, research and product innovation, development, and commercialization through efforts by and collaboration among Ohio business and industry, state and local public entities and agencies, public and private education institutions, or research organizations and institutions, all as may be further provided for by state or local law, but excluding purposes provided for in Section 15 of Article VIII, Ohio Constitution; and

(3) Development of sites and facilities in Ohio for and in support of industry, commerce, distribution, and research and development purposes.

(B) The General Assembly may provide by law, in accordance with but subject to the limitations of this section, for the issuance of general obligation bonds and other obligations of the state for the purpose of financing or assisting in the financing of the cost of projects implementing those purposes.

(1) Not more than one billion three hundred fifty million dollars principal amount of state general obligations may be issued under this section for public infrastructure capital improvements. Not more than one hundred twenty million dollars principal amount of those obligations may be issued in each of the first five fiscal years of issuance and not more than one hundred fifty million dollars principal amount of those obligations may be issued in each of the next five fiscal years

of issuance, plus in each case the principal amount of those obligations that in any prior fiscal year could have been but were not issued within those fiscal year limits. No infrastructure obligations may be issued pursuant to this division and division (C) of this section until at least one billion one hundred ninety-nine million five hundred thousand dollars aggregate principal amount of state infrastructure obligations have been issued pursuant to Section 2m of Article VIII, Ohio Constitution.

(2) Not more than five one billion two hundred million dollars principal amount of state general obligations may be issued under this section for research and development purposes. Not more than one four hundred fifty million dollars principal amount of those obligations may be issued in each of the first three fiscal years of issuance total from fiscal years 2006 through 2011, not more than two hundred twenty-five million dollars principal amount of those obligations may be issued in the next fiscal year of issuance, and not more than fifty one hundred seventy-five million dollars principal amount of those obligations may be issued in any other fiscal year, plus in each case the principal amount of those obligations that in any prior fiscal year could have been but were not issued.

(3) Not more than one hundred fifty million dollars principal amount of state general obligations may be issued under this section for development of sites and facilities for industry, commerce, distribution, and research and development purposes. Not more than thirty million dollars principal amount of those obligations may be issued in each of the first three fiscal years of issuance, and not more than fifteen million dollars principal amount of those obligations may be issued in any other fiscal year, plus in each case the principal amount of those obligations that in any prior fiscal year could have been but were not issued.

(C) Each issue of state general obligations for

public infrastructure capital improvements or development of sites and facilities shall mature in not more than thirty years from the date of issuance, and each issue of state general obligations for research and development purposes shall mature in not more than twenty years from the date of issuance; or, if issued to retire or refund other obligations, within that number of years from the date the debt being retired or refunded was originally issued. If state general obligations are issued as notes in anticipation of the issuance of bonds, provision shall be made by law for the establishment and maintenance, during the period in which the notes are outstanding, of a special fund or funds into which shall be paid, from the sources authorized for the payment of such bonds, the amount that would have been sufficient, if bonds maturing during the permitted period of years had been issued without such prior issuance of notes, to pay the principal that would have been payable on such bonds during such period. Such fund or funds shall be used solely for the payment of principal of such notes or bonds in anticipation of which such notes have been issued. Notwithstanding anything to the contrary in Section 2k or 2m of Article VIII, obligations issued under this section or Section 2k or 2m to retire or refund obligations previously issued under this section or Section 2k or 2m shall not be counted against the fiscal year or total issuance limitations provided in this section or Section 2k or 2m, as applicable.

The obligations issued under this division and division (B) of this section are general obligations of the state. The full faith and credit, revenue, and taxing power of the state shall be pledged to the payment of the principal of and premium and interest and other accreted amounts on outstanding obligations as they become due (hereinafter called debt service), and bond retirement fund provisions shall be made for payment of that debt service. Provision shall be made by law for the sufficiency and appropriation, for purposes of paying debt service, of

excises, taxes, and revenues so pledged or committed to debt service, and for covenants to continue the levy, collection, and application of sufficient excises, taxes, and revenues to the extent needed for that purpose. Notwithstanding Section 22 of Article II, Ohio Constitution, no further act of appropriation shall be necessary for that purpose. The obligations and the provision for the payment of debt service, and repayment by governmental entities of any loans made under this section, are not subject to Sections 5, 6, and 11 of Article XII, Ohio Constitution. Moneys referred to in Section 5a of Article XII, Ohio Constitution may not be pledged or used for the payment of that debt service. Debt service on obligations issued for research and development purposes and for development of sites and facilities shall not be included in the calculation of total debt service for purposes of division (A) of Section 17 of Article VIII, Ohio Constitution.

(D)(1) The state may participate in any public infrastructure capital improvement under this section with municipal corporations, counties, townships, or other governmental entities as designated by law, or any one or more of them. Such participation may be by grants, loans, or contributions to them for any such capital improvements. The entire proceeds of the infrastructure obligations shall be used for public infrastructure capital improvements of municipal corporations, counties, townships, and other governmental entities, except to the extent that the General Assembly provides by law that the state may reasonably be compensated from such moneys for planning, financial management, or administrative services performed in relation to the issuance of infrastructure obligations.

(2)(a) Implementation of the research and development purposes includes supporting any and all related matters and activities, including: attracting researchers and research teams by endowing research chairs or otherwise; activities to develop

and commercialize products and processes; intellectual property matters such as copyrights and patents; property interests, including time sharing arrangements; and financial rights and matters such as royalties, licensing, and other financial gain or sharing resulting from research and development purposes. State and local public moneys, including the proceeds of bonds, notes, and other obligations, may be used to pay costs of or in support of or related to these research and development purposes, including, without limitation, capital formation, direct operating costs, costs of research and facilities, including interests in real property therefor, and support for public and private institutions of higher education, research organizations or institutions, and private sector entities. The exercise of these powers by the state and state agencies, including state-supported and state-assisted institutions of higher education, and local public entities and agencies, may be jointly or in coordination with each other, with researchers or research organizations and institutions, with private institutions of higher education, with individuals, or with private sector entities. State and local public participation may be in such manner as the entity or agency determines, including by any one or a combination of grants, loans including loans to lenders or the purchase of loans, subsidies, contributions, advances, or guarantees, or by direct investments of or payment or reimbursement from available moneys, or by providing staffing or other support, including computer or other technology capacity, or equipment or facilities, including interests in real property therefor, and either alone or jointly, in collaborative or cooperative ventures, with other public agencies and private sector entities including not for profit entities. In addition to other state-level monetary participation as referred to in this section or otherwise, state-supported and state-assisted institutions of higher education may, as authorized from time to time by the General Assembly, issue obligations to pay

costs of participating in and implementing research and development purposes. In addition to the other obligations authorized in or pursuant to this section, the General Assembly also may authorize the state and state agencies and local public entities and agencies, and corporations not for profit designated by any of them as such agencies or instrumentalities, to issue obligations to borrow and loan or otherwise provide moneys for research and development purposes, including, but not limited to, obligations for which moneys raised by taxation shall not be obligated or pledged for the payment of debt service and which are therefore not subject to Sections 5, 6, and 11 of Article XII, Ohio Constitution.

(b) Implementation of the research and development purposes shall include utilization of independent reviewers to review the merits of proposed research and development projects and to make recommendations concerning which proposed projects should be awarded support from the proceeds of the sale of obligations under this section. Prior to the utilization of an independent reviewer, the state agency proposing to award the support for a project shall provide the name and other descriptive information regarding the independent reviewer to the Governor, the President and Minority Leader of the Senate, and the Speaker and Minority Leader of the House of Representatives. If the recommendations of an independent reviewer with respect to a proposed project are not adopted by the state agency proposing to award the support for the project, the agency shall notify the Governor, the President and Minority Leader of the Senate, and the Speaker and Minority Leader of the House of Representatives of that fact and explain the reasons for not adopting the recommendations.

(c) From the proceeds of the sale of obligations issued under this section, not more than four hundred fifty million dollars may be awarded, promised, or otherwise committed in total for research and

development purposes from fiscal years 2006 through 2011, not more than two hundred twenty-five million dollars may be awarded, promised, or otherwise committed for research and development purposes in fiscal year 2012, and not more than one hundred seventy-five million dollars may be awarded, promised, or otherwise committed for research and development purposes in any other fiscal year beginning in fiscal year 2013 and thereafter, plus in each case the amount of the proceeds that in any prior fiscal year could have been but were not awarded.

(3) Development of sites and facilities for and in support of industry, commerce, distribution, and research and development purposes includes acquisition of real estate and interests in real estate, site preparation including any necessary remediation and cleanup, constructing and improving facilities, and providing public infrastructure capital improvements and other transportation and communications infrastructure improvements for and in support of the use of those sites and facilities for those purposes. State and local public moneys, including the proceeds of bonds, notes, and other obligations, may be used to pay costs of those purposes. The exercise of these powers by the state and state agencies and local public entities and agencies, may be jointly or in coordination with each other, and with individuals or private sector business entities. State and local public participation may be in such manner as the entity or agency determines, including by any one or a combination of grants, loans including loans to lenders or the purchase of loans, subsidies, contributions, advances, or guarantees, or by direct investments of or payment or reimbursement from available moneys. In addition to other state-level monetary participation as referred to in this section or otherwise, state-supported and state-assisted institutions of higher education, and local public entities and agencies may, as authorized from time to time by the General Assembly, issue obligations to pay costs of participating in

and implementing the development of sites and facilities.

(E) Obligations issued under authority of this section for research and development purposes and site and facility development purposes, provisions for the payment of debt service on them, the purposes and uses to which and the manner in which the proceeds of those obligations or moneys from other sources are to or may be applied, and other implementation of those development purposes as referred to in this section, are not subject to Sections 4 and 6 of Article VIII, Ohio Constitution. Obligations issued under authority of this section, the transfer thereof, and the interest, interest equivalent, and other income and accreted amounts therefrom, including any profit made on the sale, exchange, or other disposition thereof, shall at all times be free from taxation within the state.

(F) This section shall otherwise be implemented in the manner and to the extent provided by law by the General Assembly, including provision for the procedure for incurring and issuing obligations, separately or in combination with other obligations, and refunding, retiring, and evidencing obligations; provision for ensuring the accountability of all state funding provided for the development purposes referred to in division (A) of this section; provision for restricting or limiting the taking of private property under Section 19 of Article I for disposition to private sector entities for the purposes identified in divisions (A) (2) and (3) of this section or restricting the disposition of that property to private sector entities or individuals; and provision for the implementation of the development purposes referred to in division (A) of this section to benefit people and businesses otherwise qualified for receipt of funding for the development purposes referred to in division (A) of this section, including economically disadvantaged businesses and individuals in all areas of this state, including by the use to the extent practicable of Ohio products,

materials, services, and labor.

(G) The powers and authority granted or confirmed by and under, and the determinations in, this section are independent of, in addition to, and not in derogation of or a limitation on, powers, authority, determinations, or confirmations under laws or under other provisions of the Ohio Constitution including, without limitation, Section 7 of Article I, Section 5 of Article VI, Sections 2i, 2n, 2o, 13, and 15 of Article VIII, Article X, and Section 3 of Article XVIII, and do not impair any previously adopted provisions of the Ohio Constitution or any law previously enacted by the General Assembly or by a local public agency.

EFFECTIVE DATE AND REPEAL

If adopted by a majority of the electors voting on this proposal, the proposal shall take effect immediately, and existing Section 2p of Article VIII of the Constitution of the State of Ohio shall be repealed from that effective date.

2 PROPOSED CONSTITUTIONAL AMENDMENT

TO CHANGE THE LOCATION OF THE COLUMBUS CASINO FACILITY AUTHORIZED BY PREVIOUS STATEWIDE VOTE

Proposed by Joint Resolution of the General Assembly

To amend Section 6 of Article XV of the Constitution of the State of Ohio

This proposed amendment would:

Change the location of the Columbus area casino authorized by statewide vote at the November 2009 general election from the area known as “The Arena District” to the site of a former General Motors/Delphi Corp. manufacturing plant. The amendment makes no change regarding any other casino authorized by the previous statewide vote.

If adopted, this amendment shall take effect immediately.

A “YES” vote means approval of the amendment.

A “NO” vote means disapproval of the amendment.

A majority YES vote is required for the amendment to be adopted.

SHALL THE PROPOSED AMENDMENT BE APPROVED?

- YES
- NO

EXPLANATION

ISSUE 2

PROPOSED CONSTITUTIONAL AMENDMENT

TO CHANGE THE LOCATION OF THE COLUMBUS CASINO FACILITY AUTHORIZED BY PREVIOUS STATEWIDE VOTE

Proposed by Joint Resolution of the General Assembly

To amend Section 6 of Article XV of the Constitution of the State of Ohio

At the November 3, 2009, General Election, Ohio voters approved an amendment to the Ohio Constitution to allow for one casino each in Cincinnati, Cleveland, Columbus, and Toledo at specific locations.

This proposed amendment would authorize moving the Columbus casino facility from the Arena District to a redevelopment site in the Columbus area formerly owned by General Motors and Delphi Automotive that has been vacant since 2007.

If approved, this amendment would take effect immediately.

Official Argument and Explanation For Issue 2

A “Yes” vote on Issue 2 authorizes only a location change for the Columbus casino to the site of an abandoned General Motors manufacturing plant. It ensures faster development, creating jobs and tax revenues as quickly as possible.

Issue 2 is simply a change in the location of the casino authorized in Columbus by voters in November of 2009. It has **no effect** on the casinos authorized in Cleveland, Cincinnati and Toledo, or on any other aspect of gaming in Ohio.

Your “Yes” vote on Issue 2:

- Authorizes the Columbus casino to be developed on the site of the abandoned General Motors/Delphi Automotive manufacturing plant on Columbus’ West Side. It moves the casino to a community that has been devastated by the economic downturn, is in need of economic development, and has demonstrated strong support for the casino location.
- Makes **no other changes** to the casino issue approved by voters in 2009.

By authorizing a change in the Columbus location, voters will ensure the fastest possible development of the four Ohio casinos, which will:

- Create **34,000 new Ohio jobs** that can’t be outsourced.
- Produce **\$11 billion in economic impact** over five years.
- Generate **\$651 million a year in tax revenue** to be shared by Ohio’s 88 counties, eight largest cities, and every public school district.
- Provide **\$200 million for state job training** programs that put Ohioans back to work.
- Bring a minimum of **\$1 billion in new private investment** to Ohio’s largest metropolitan areas.

Keep Ohio Money In Ohio: The sooner Ohio’s casinos open, the sooner we can keep **in Ohio** more than **\$1 billion** that leaves the state each year when Ohioans visit neighboring states’ gaming facilities.

Vote YES on Issue 2

Submitted by: Senators Jim Hughes, David Goodman, and Ray Miller, and Representatives Ted Celeste, Tracy Heard, and Cheryl Grossman

Argument Against Issue 2

Vote No on Issue 2

At the November 3, 2009, General Election, Ohio voters approved a state constitutional amendment to authorize casinos at specific locations in four Ohio cities – Cincinnati, Cleveland, Columbus, and Toledo in Hamilton, Cuyahoga, Franklin, and Lucas Counties respectively.

With the exception of Franklin County, the voters of Hamilton, Cuyahoga, and Lucas Counties supported the casino amendment. The voters of Franklin County opposed the casino amendment.

The reasons why Franklin County voters opposed the casino amendment last November are likely as varied as the individual voters themselves. The reasons could range from opposition to any form of gambling, to NIMBY (not in my backyard), to inappropriate subject matter for the state constitution, to concerns about rigid conditions set in the casino amendment – rigid conditions such as tax rates or preemption of some local control over the authorized casinos.

Rather than address these concerns, or the concerns of other Ohioans who may desire a casino in their community, the legislators sponsoring this amendment, and the advocates who support it, want to limit this “correction” to Franklin County, and move the authorized location from Columbus’ Arena District to another location in Franklin County.

Prepared by the Ohio Ballot Board in the absence of any submission in opposition as required by Ohio Revised Code 3505.063(B), the Ohio Ballot Board does not take positions for or against ballot issues.

Full text of the proposed amendment to the Constitution

**(128th General Assembly)
(Amended Substitute Senate Joint
Resolution Number 8)**

JOINT RESOLUTION

To amend Section 6 of Article XV of the Constitution of the State of Ohio to change the authorized location of the casino in central Ohio from Columbus to a designated site in Franklin County.

Be it resolved by the General Assembly of the State of Ohio, three-fifths of the members elected to each house concurring herein, that there shall be submitted to the electors of the state, in the manner prescribed by law at the special election to be held on May 4, 2010, a proposal to amend Section 6 of Article XV of the Constitution of the State of Ohio to read as follows:

Article XV

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

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

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

(C)(1) Casino gaming shall be authorized at four casino facilities (a single casino at a designated location within each of the cities of Cincinnati, Cleveland, Columbus and Toledo, and within Franklin County) to create new funding for cities, counties, public school districts, law enforcement, the horse racing industry and job training for Ohio's workforce.

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

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

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

(b) Thirty-four percent of the tax on gross casino revenue shall be distributed among all eighty-eight counties in proportion to such counties' respective public school district student populations at the time of such

distribution. Each such distribution received by a county shall be distributed among all public school districts located (in whole or in part) within such county in proportion to each school district's respective student population who are residents of such county at the time of such distribution to the school districts. Each public school district shall determine how its distributions are appropriated, but all distributions shall only be used to support primary and secondary education.

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

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

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

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

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

Tax collection, and distributions to public school districts and local governments,

under sections 6(C)(2) and (3), are intended to supplement, not supplant, any funding obligations of the state. Accordingly, all such distributions shall be disregarded for purposes of determining whether funding obligations imposed by other sections of this Constitution are met.

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

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

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

workforce with additional skills to grow the economy.

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

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

(6) Casino gaming authorized in section 6(C) shall be 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, and in Franklin County.

(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, and Franklin County:

(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 within and/or above the public rights of way adjacent to such parcels.

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

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

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

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

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

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

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

(b) Columbus Franklin County:

Being an approximate ~~18.312~~ 113.794 acre area in ~~the City of Columbus~~, Franklin County, Ohio, as identified by the Franklin County Auditor, as of ~~03/05/09~~ 01/19/10, as tax parcel numbers ~~010-005518-80, 010-005518-90, 010-020215-80, 010-020215-90, 010-008443-80 and 010-008443-90~~ number 140-003620-00.

(c) Cincinnati;

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

(d) Toledo:

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

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

“Casino operator” means any person, trust, corporation, partnership, limited partnership, association, limited liability company or other business enterprise that directly holds an ownership or leasehold interest in a casino facility. “Casino operator” does not include an agency of the state, any political subdivision of the state, or any person, trust,

corporation, partnership, limited partnership, association, limited liability company or other business enterprise that may have an interest in a casino facility, but who is legally or contractually restricted from conducting casino gaming.

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

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

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

“Table game” means any game played with cards, dice, or any mechanical, electromechanical, or electronic device or machine for money, casino credit, or any representative of value.

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

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

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

EFFECTIVE DATE AND REPEAL

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

DATES TO REMEMBER

MARCH 30

Absentee balloting begins

APRIL 5

Deadline for voter registration for primary election

MAY 1

Deadline for absentee ballot applications to be received
by mail at board of elections by noon

MAY 3

(CLOSE OF BUSINESS)

Deadline for voting an absentee ballot in person at a county
board of elections or designated early voting location
for the primary election

MAY 4

ELECTION DAY

Polls open from 6:30 a.m. to 7:30 p.m.

For more information, contact:

OFFICE OF
OHIO SECRETARY OF STATE JENNIFER BRUNNER
180 E. BROAD STREET, 16TH FLOOR
COLUMBUS, OHIO 43215
(614) 466-2585
(877) 767-6446
WWW.SOS.STATE.OH.US
BALLOTBOARD@SOS.STATE.OH.US

SOS 0507 (03/10)

<UNION BUG HERE>