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The _____ MICHIGAN GAMING _____ Newsletter



OHIO CASINO BALLOT ISSUE CERTIFIED BY OHIO SECRETARY OF STATE

On Tuesday, Ohio Secretary of State Jennifer Brunner announced the approval of 452,956 petition signatures to allow a proposed plan for four casinos in Cleveland, Columbus, Cincinnati and Toledo, Ohio to be included on Ohio's November 3, 2009 state-wide ballot. The proposal seeks to amend Ohio's Constitution, which currently prohibits casino gaming.

Under Ohio law, the [Ohio Jobs and Growth Committee](#) was required to submit petitions containing valid signatures of 402,275 registered Ohio voters with the Secretary of State by July 1, 2009 in order for the proposal to qualify for the November 2009 election ballot.

The plan is backed by the Ohio Jobs and Growth Committee, and led by such figures as Quicken Loans CEO and Cleveland Cavaliers owner Dan Gilbert, former U.S. Congressman and former Mayor of Cincinnati Charlie Luken and Penn National Gaming. Other investors and supporters include the group MyOhioNow, which supported the 2008 casino initiative that would have allowed for a single casino site in southwest Ohio. The 2008 initiative failed in the November 2008 election, gaining just 37.6% of the vote.

According to the Ohio Jobs and Growth Committee, if passed, the casinos would bring more than 34,000 new jobs and generate \$651 million a year in casino tax revenue.

Specifically, the proposal:

- Authorizes casinos at a designated location in each of the cities of Cleveland, Cincinnati, Columbus and Toledo.

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- Mandates that casino developers and operators make a minimum investment of \$250 million in each of the four casino destinations for a total required investment of \$1 billion.

- Requires each casino operator to pay an initial \$50 million licensing fee (in addition to the \$250 million investment) to the state for each of the four casinos.

- Creates an estimated 34,000 new Ohio jobs, including construction and permanent casino position once the facilities are fully operational.

Under the proposal the tax on gross casino revenue would be 33%, which would be distributed based on the following formula:

- 51 percent (an estimated \$306 million each year) to the state's 88 counties, based on population. In counties where the largest city has more than 80,000 in population, half of the county's share would go to those cities – a provision that benefits Akron, Canton, Cincinnati, Cleveland, Columbus, Dayton, Toledo and Youngstown.

- 34 percent (an estimated \$221 million per year) to public school districts, with the funds distributed by each county to all public school districts based on student population.

- 5 percent (an estimated \$32 million each year) to the casino host cities.

- 3 percent (an estimated \$19 million each year) to an Ohio State Racing Commission fund to help revitalize the state's horse racing industry.

- 3 percent (an estimated \$18 million each year) to fund the operations of the Ohio Casino Control Commission, a bipartisan seven-member commission appointed by the Governor with the advice and consent of the Ohio Senate to regulate casinos and their key employees and to ensure the integrity of casino gaming in Ohio.

- 2 percent (an estimated \$12 million each year) for training opportunities for Ohio's law enforcement community.

- 2 percent (an estimated \$12 million each year) for treatment of problem gambling and

substance abuse, as well as related research.

For a copy of the ballot initiative language please click [here](#).

Last week, the Ohio Legislature approved a state budget that allows Ohio Governor Ted Strickland to add video lottery terminals (VLTs) to Ohio's seven horse racing tracks. The Ohio House approved the budget 54-44, and the Ohio Senate passed it 17-15.

Specifically, [House Bill 250](#) amends Ohio law to: "require the State Lottery Commission to establish licensing procedures for video lottery sales agents that are horseracing permit holders and authorizes those agents to conduct lotteries that provide immediate prize determinations for participants through the use of video lottery terminals at not more than seven licensed commercial horseracing tracks."

According to Gov. Strickland, VLT's may be fully operational by May of 2010.

AGA ACCEPTING 9TH ANNUAL COMMUNICATIONS AWARDS

The American Gaming Association ("AGA") is currently accepting entries for the 9th annual AGA Communications Awards.

The Communications Awards recognize outstanding achievement in advertising and corporate communications in the global gaming industry. According to the AGA, it is the only such award of its kind and celebrates the creativity of industry's communication efforts.

All companies involved in the casino, lottery or pari-mutuel industries are eligible to submit entries in any of 16 categories, ranging from annual report and communications campaign to the new category for 2009: "Web Advertisement."

To access more information as well as the entry form, please visit www.americangaming.org/events/communications_awards/index.cfm.