

IN THE OHIO SUPREME COURT

STATE OF OHIO, Ex. Rel.
Ohio Christian Alliance
P.O. Box 3076
Akron, Ohio 44309

and

STATE REP. RONALD AMSTUTZ
4456 Woodlake Trail
Wooster, Ohio 44691

and

STATE REP. JOHN ADAMS
1509 Bon Air Circle
Sidney, Ohio 45365

and

STATE REP. SETH MORGAN
7208 Howland Place
Huber Heights, Ohio 45424

Plaintiffs/Relators

-vs-

TED STRICKLAND, GOVERNOR
State of Ohio
State House
Columbus OH 43215

and

OHIO LOTTERY COMMISSION
615 West Superior Ave.
Cleveland, Ohio 44113

and

CASE NO. 09-1648

VERIFIED COMPLAINT/ PETITION

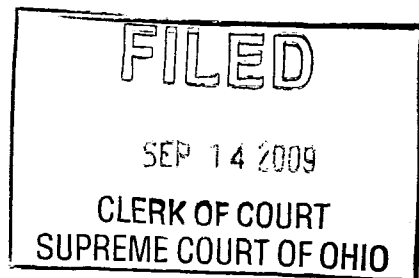
ORIGINAL ACTION

Pursuant to R.C. 3770.21(D)

And Original Action in Mandamus

And Prohibition

Oral Argument Requested



KATHLEEN BURKE)
Director of Ohio Lottery Commission)
615 West Superior Ave.)
Cleveland, Ohio 44113)
)
Defendants/Respondents.)

VERIFIED PETITION/COMPLAINT

PARTIES

1. Relator Ohio Christian Alliance (“OCA”) is an organization representing citizens throughout the State of Ohio who are opposed to the expansion of gambling in Ohio and who are directly affected by the unconstitutional actions described below and the unconstitutional and unenforceable provisions in Am. House Bill 1 (“HB1”) of the 128th Ohio General Assembly, passed on July 13, 2009 and signed by Governor Ted Strickland on July 17, 2009.

2. Relators State Representatives Ronald Amstutz, John Adams, and Seth Morgan are current members of the Ohio General Assembly, as well as citizens, taxpayers, and electors in the State of Ohio, who are directly affected by the unconstitutional actions described below and the unconstitutional and unenforceable provisions in HB1.

3. OCA and the individuals named in paragraph 2 above are relators for the purposes of the mandamus and prohibition actions stated below and plaintiffs with respect to the original actions filed pursuant to R.C. §3770.12(D) as enacted by HB1.

4. Respondent Ted Strickland is the Governor of the State of Ohio.

5. Respondent Ohio Lottery Commission (“the Commission”) is the duly authorized state agency that operates the Ohio Lottery pursuant to Ohio law.

6. Respondent Kathleen Burke (“Burke”) is the duly appointed director of the Ohio Lottery Commission, appointed by Governor Ted Strickland.

7. Respondents Strickland, the Commission and Burke are respondents for purposes of the mandamus and prohibition actions stated below and defendants with respect to the original actions filed pursuant to R.C. §3770.12(D), as enacted by HB1.

JURISDICTION

8. Relators bring forth their verified petition in mandamus and prohibition to this Court pursuant to this Court's original jurisdiction under Article IV, Section 2b of the Ohio Constitution, R.C. Chapter 2731, and Ohio Supreme Court Rule 10. This Court recognized its jurisdiction in such actions in *State ex rel Ohio AFL-CIO v. Voinovich*, (1994) 69 Ohio St.3d 1208.

9. Relators/Plaintiffs bring forth in this Court their challenges concerning the Ohio Legislature's amendments to R.C. Chapter 3770 and R.C. §2915 contained in HB1 pursuant to R.C. §3770.12(D) contained therein, which reads:

(D) The supreme court shall have exclusive, original jurisdiction over any claim asserting that this section or section 3770.03 of the Ohio Revised Code or any portion of those sections or any rule adopted under those sections violates any provision of the Ohio Constitution, any claim asserting that any action taken by the governor or the lottery commission pursuant to those sections violates any provision of the Ohio Constitution or any portion of this section violates any provision of the Ohio Constitution. If any claim over which the supreme court is granted exclusive, original jurisdiction by this division is filed in any lower court, the claim shall be dismissed by the court on the ground that the court lacks jurisdiction to review it.

10. This action contains claims asserting that Sections of R.C. Chapter 3770 enacted by last minute changes in HB1, including without limitation R.C. §3770.03, §3770.12 and §3770.4, and changes to R.C. § 2915 in H.B. 1, and the rules adopted by the Commission or proposed to be adopted by the Commission concerning video lottery terminals/slot machines

pursuant to these sections are unconstitutional, unlawful, and unenforceable, and that those portions of HB1 violate the Ohio Constitution and Ohio law.

BACKGROUND

11. As initially introduced in the Ohio House on February 12, 2009, HB1 reflects and encompasses the State operating budget for fiscal years 2009 – 2010 and 2010-2011 as proposed by Governor Strickland.

12. The initial version of HB1, as filed with the clerk of the Ohio House, contains no proposed changes to Sections 3770.03, 3770.04 and 3770.12 of the Ohio Revised Code.

13. The initial version of HB1, as filed with the clerk of the Ohio House, contains no provision concerning the applicability of Chapter 2915 of the Ohio Revised Code as to video lottery terminals and, in particular, did not contain the following provision: “Chapter 2915 of the Ohio Revised Code does not apply to, affect, or prohibit lotteries pursuant to this Chapter.”

14. The version of HB1 passed by the Ohio House on April 30, 2009 contained no proposed changes to Sections 3770.03, 3770.04 and 3770.12 of the Ohio Revised Code, contained no provisions concerning Chapter 2915 of the Ohio Revised Code as to video lottery terminals, and, in particular, did not contain the following provision: “Chapter 2915 of the Ohio Revised Code does not apply to, affect, or prohibit lotteries pursuant to this Chapter”.

15. The version of HB1 passed by the Ohio Senate on June 3, 2009, contained no provision concerning Sections 3770.03, 3770.04 and 3770.12 of the Ohio Revised Code, contained no provisions concerning Chapter 2915 of the Ohio Revised Code as to video lottery terminals, and, in particular, did not contain the following provision: “Chapter 2915 of the Ohio Revised Code does not apply to, affect, or prohibit lotteries pursuant to this Chapter”.

16. On June 10, 2009, the Ohio House voted not to concur in the Ohio Senate's version of HB1.

17. On June 10, 2009, the Ohio House and Ohio Senate appointed a committee of conference (the "Conference Committee") to address the matters of differences concerning HB1.

18. The Conference Committee only convened in open public meeting on two occasions.

19. On June 11, 2009, the Conference Committee convened and heard testimony as to the then status of Ohio's state operating budget and tax revenues.

20. The Conference Committee did not conduct another public meeting or convene again until July 13, 2009.

21. On July 13, 2009, at approximately 11:30 A.M., the Conference Committee met to review and accept a Conference Report that consisted of more than 1,500 pages (the "Conference Report") to be read in conjunction with the Senate passed version of HB1.

22. The Conference Report included numerous different subjects that changed Ohio substantive laws that were not appropriation provisions and contained provisions and amendments to Ohio law that were not matters of difference between the Ohio House passed version of HB1 and Ohio Senate passed version of HB1 and were not pertinent to or exclusively related to the original matters of difference between the two houses.

23. The Conference Report included changes and amendments to R.C. Sections 3770.03, 3770.04 and 3770.12, language concerning R.C. Chapter 2915, and a provision stating "Chapter 2915 of the Ohio Revised Code does not apply to, affect, or prohibit lotteries pursuant to this Chapter".

24. None of the provisions, changes and amendments to R.C. Chapter 3770, R.C. Chapter 2915, and the applicability of Chapter 2915 to lotteries were matters of difference between the two houses or pertinent to or exclusively related to the original matters of difference between the two houses.

25. On July 13, 2009 at approximately 12:30 P.M. ,the Conference Report was recommended by the Conference Committee.

26. On July 13, 2009 at approximately 5:00 P.M., the Conference Report was approved by the Ohio House by a vote of 54-44, thereby approving HB1 as amended by the Conference Report.

27. On July 13, 2009 at approximately 9:30 P.M., the Conference Report was approved by the Ohio Senate by a vote of 17-15, thereby approving HB1 as amended by the Conference Report.

28. On July 17, 2009 Governor Ted Strickland signed HB1 as amended.

29. The public and those who opposed the changes to R.C. Chapters 3770 and 2915 were never given any real opportunity to testify in opposition to the Conference Report or the separate and distinct, non-appropriation statutory law changes made in HB1 with respect to R.C. Chapters 3770 and 2915.

30. R.C. Section 3770 is not an appropriation statute, it is a regulatory statute that governs the operations of the Ohio Lottery Commission.

31. R.C. Chapter 2915 is not an appropriation statute, it is a criminal statute that prohibits certain forms of gambling in Ohio.

32. On July 13, 2009, Governor Strickland issued a Directive to the Ohio Lottery Commission (copy attached as Exhibit A hereto and incorporated by reference herein) (the

“Strickland Directive”) directing the Lottery Director to take steps to implement placement of Video Lottery Terminals (“VLT”) (aka “slot machines”) at licensed pari-mutuel betting facilities (commonly known as racetracks), and to adopt rules regarding such implementation and licensure of such operations.

33. Under the Ohio Constitution and Ohio law, Governor Strickland did not and does not have the legal authority to expand gambling in Ohio by use of VLT’s or slot machines as unlawfully attempted by the Strickland Directive.

34. The Strickland Directive contravenes the will of the majority of Ohio citizens and electors, who have four times rejected such expansion of gambling in Ohio.

35. Pursuant to the Strickland Directive and HB 1, the Commission has initiated action to adopt rules for the licensure and operation of VLT/slot machine facilities by the owners of seven horse racing facilities in Ohio, which rules provide for the sharing of the revenues generated by the VLT’s/slot machines between the Ohio Lottery Commission and the private owners of the racing facilities on a 50/50 shared revenues basis.

First Cause of Action

36. Relators/Plaintiffs incorporate by reference paragraphs 1-35 above as if fully rewritten herein.

37. Article II, Section 15(D) of the Ohio Constitution provides that “no bill shall contain more than one subject.”

38. HB1, as amended by the Conference Report, passed by the Ohio Legislature on July 13, 2009, and signed by Governor Ted Strickland is an appropriation bill, but also contains non-appropriations, other subjects, and violates the provision of Article II, Section 15(D) that no bill shall contain more than one subject.

39. HB1, as passed by the legislature and signed by Governor Strickland, contains numerous non-appropriations subjects which vitaly altered HB1 from an appropriate bill into legislation that, contrary to four votes by the Ohio electorate, authorized slot machine gambling, which provisions include, without limitation:

- a. Provisions expanding the gaming/gambling authority of the Ohio Lottery Commission by specifically authorizing the Ohio Lottery Commission to operate slot machines;
- b. A provision amending R.C. § 3770.03, a non-appropriation, regulatory statute;
- c. A provision stating that “Chapter 2915 of the Ohio Revised Code does not apply to, affect, or prohibit lotteries conducted pursuant to this Chapter”;
- d. Adoption of a new R.C. §3770.21(A); and
- e. A provision restricting aggrieved Ohioans access to the Courts by mandating exclusive jurisdiction to the Ohio Supreme Court for any claim challenging R.C. §3770.03.

40. Because HB1 contains more than one substantive subject, and contains separate and distinct separate non-appropriate subjects which vitaly alter the bill from its introduced form such as, but not limited to, substantive changes to R.C. §3770 and the scope and applicability of R.C. Chapter 2915, its enactment or, in the alternative, the enactment of those other subject matters with respect to R.C. Chapter 3770 and Chapter 2915, are unconstitutional and, therefore, null and void, and of no legal effect.

Second Cause of Action

41. Relators/Plaintiffs incorporate by reference paragraphs 1-40 above as if fully rewritten herein.

42. The Ohio Constitution, Article II, Section 15(C) requires that “every bill shall be considered by each House on three different days . . .”

43. When HB1 was substantially rewritten and amended by the Conference Report first released and introduced in the Conference Committee on July 13, 2009, and passed by the legislature on that same day (July 13, 2009), to insert provisions concerning separate non-appropriation subjects, such as changes to R.C. Chapter 3770 and the scope and applicability of R.C. Chapter 2915, which provisions were not included in the versions of HB1 initially approved by the Ohio House and Ohio Senate, it effectively became a new bill and did not have required consideration by each house on three different days, as required in Article II, Section 15(C) of the Ohio Constitution, thereby rendering HB1 or, in the alternative, the new provisions added by the Conference Report into HB1, unconstitutional, null and void, and of no legal affect.

Third Cause of Action

44. Relators/Plaintiffs incorporated by reference paragraphs 1-43 above as if fully rewritten herein.

45. Article VIII, Section 4 of the Ohio Constitution prohibits the State of Ohio from using the state’s credit “in any manner . . . in aid of, any individual association or corporation whatsoever” and prohibits the State of Ohio from becoming “a joint owner . . . in any company or association in this state. . . formed for any purpose whatsoever. ”

46. The Commission, in joint association with the private owners of seven pari-mutuel racing facilities in Ohio, will operate and maintain VLT’s/slot machines for the purpose of generating revenue from the users of those VLT’s/slot machines, which revenues shall be shared and distributed equally between the Commission and the private racetrack owners.

47. The Commission will use the State's credit to acquire or lease the VLT's/slot machines and to acquire or lease space for the location of those VLT's/slot machines on private property.

48. The private owners of the racetracks and the Commission, jointly, will provide oversight, maintenance, and management of the VLT's/slot machines and the locations where they will be operated.

49. No other private joint enterprises, businesses, entities or individuals will be allowed to operate VLT's/slot machines in the State.

50. By virtue of the shared revenue arrangement between the Commission and the seven private racetrack owners, the State's extension of credit to lease or purchase the VLT's/slot machines and space for the location thereof, and the joint and shared management of the maintenance, management, supervision, and operation of those machines, the Commission's actions violate Article VIII, Section 4 of the Ohio Constitution and, therefore, are unlawful and null and void, and of no legal force and effect.

Fourth Cause of Action

51. Relators/Plaintiffs hereby incorporate by reference paragraphs 1-50 above as if fully rewritten herein.

52. Under Article III, Section 6 of the Ohio Constitution, Governor Strickland has a constitutional duty to "see that the laws [of Ohio] are faithfully executed."

53. The provisions amending R.C. §3770 and changing the scope of R.C. §2935 are unconstitutional for the reasons stated above.

54. By seeking to unlawfully expand gambling and the Ohio Lottery in Ohio pursuant to those unconstitutional provisions through the use of VLT's/slot machines by Governor's

Directive, Governor Strickland, by his unlawful actions, fails to perform his constitutional duty to see that Ohio's laws are faithfully executed.

55. Relators/Plaintiffs are entitled to a writ and alternative writ of mandamus or prohibition against Governor Strickland, ordering him to comply with his constitutional duty under Article III, Section 6 of the Ohio Constitution by prohibiting the expansion of the Ohio Lottery to include VLT's/slot machines until such expansion is constitutionally authorized by a single subject bill passed by the Ohio General Assembly or a vote of the electorate.

Fifth Cause of Action

56. Relators/Plaintiffs herein incorporate by reference paragraphs 1-55 above as if fully rewritten herein.

57. Article XVI, Section 6 of the Ohio Constitution mandates that all of the net proceeds generated by the Ohio Lottery must be used to support elementary, secondary, vocational and special education programs in Ohio.

58. Upon reason and belief, the Commission intends to share the proceeds generated by the VLT's/slot machines on a 50/50 basis with the private owners of the seven pari-mutuel racetracks in Ohio.

59. The payment of 50% of the proceeds generated by the VLT's/slot machines to the private owners of the seven racetracks violates Article XVI, Section 6 of the Ohio Constitution and therefore is unlawful, null and void, and of no legal force and effect.

Sixth Cause of Action

60. Relators/Plaintiffs hereby incorporate by reference paragraphs 1-59 above as if fully rewritten herein.

61. The Commission and Burke have a legal duty to comply with the Ohio Constitution and the laws of the State of Ohio.

62. By seeking to use the unconstitutional provisions in HB1 concerning R.C. §3770 and R.C. §2915 to unlawfully expand the Ohio Lottery to include the use of VLT's/slot machines and enter into agreements with the private owners of the seven pari-mutuel racetracks in Ohio for that purpose, which will involve the use of the State's credit and the sharing of VLT's proceeds with the private racetrack owners (not educational purposes), the Commission and Burke will breach its duty to comply with the Ohio Constitution and Ohio law.

63. Relators/Plaintiffs are entitled to a writ and alternative writ of mandamus or prohibition against the Commission and Burke ordering them to comply with its constitutional and legal duties by prohibiting the expansion of the Ohio Lottery to include VLT's/slot machines without express formal, constitutionally adopted legislative approval, by prohibiting the State's extension of credit to lease or purchase the VLT's/slot machines, and by prohibiting the 50/50 sharing of the proceeds generated by the VLT's/slot machines.

Seventh Cause of Action

64. Relators/Plaintiffs incorporate by reference paragraphs 1-63 as if fully rewritten herein.

65. The actions of Governor Strickland, the Commission, and Burke described above violate constitutional rights of Relators and, therefore, unless temporarily and permanently enjoined, causes and will continue to cause irreparable harm to Relators, as well as all Ohioans, for which monetary damages cannot adequately compensate.

66. Relators have no adequate remedy at law to prevent or to mitigate the efforts of Governor Strickland's, the Commission's and Burke's unconstitutional and unlawful actions described above.

67. Relators are entitled to a temporary and permanent injunction issued by this Court ordering and directing that Governor Strickland, the Commission, and Burke not to expand the Ohio Lottery to use VLT's/slot machines and to take no action of any kind in furtherance of such expansion, including, without limitation, enjoining the Commission from accepting any permit fees and from entering into any agreement, lease, or understanding involving the use, lease, purchase or operation of VLT's/slot machines in Ohio.

Eighth Cause of Action

68. Relators/Plaintiffs hereby incorporate by reference paragraph 1-67 above as if fully rewritten herein.

69. Governor Strickland, by and pursuant to H.B.1 lowered the State's funding for public education in the Education Foundation Aid by more than \$900,000,000 and replaced those education dollars with more than \$900,000,000 proceeds projected to be generated by the Commission through the unconstitutional VLT's/slot machine gambling expansion.

70. Governor Strickland even admitted that the expansion of gambling/lottery to include the VLT's/slot machines would free up funds in the state budget for social services.

71. Article XVI, Section 6 of the Ohio Constitution mandates that all of the proceeds generated by the Ohio Lottery must be used to support elementary, secondary, vocational, and special education in Ohio, not social services.

72. The Governor's redirection of more than \$900,000,000 in general revenue funds from education and replacement of these dollars with any VLT/slot machine generated lottery

proceeds, as encompassed in the Governor's Directive and H.B.1 violates Article XVI, Section 6 of the Ohio Constitution and therefore is and will be unlawful, null and void, and of no legal force and effect.

73. Such unconstitutional action by Governor Strickland and the Commission in open violation of Article XVI, Section 6 of the Ohio Constitution irreparably harms Relators/Plaintiffs and all Ohioans.

Prayer

WHEREFORE, Relators/Plaintiffs pray that this Court provide relief as follows:

- A. Declare that the last minute non-appropriation amendments to O.R.C. Chapter 3770 and changes in the scope and applicability of O.R.C. Chapter 2915 added in HB1 and passed in one day violate the single subject rule and the three day rule in the Ohio Constitution and, therefore, are unconstitutional, void and of no legal force and effect;
- B. Declare that the Commission's attempt to enter into a joint venture with the private owners of seven pari-mutuel racetracks in Ohio and to share proceeds generated by the VLT's/slot machines with those owners on a 50/50 basis violates Article VIII, Section 4 of the Ohio Constitution and Article XVI, Section 6 of the Ohio Constitution and, therefore, is unconstitutional, void, and of no legal force and effect;
- C. Declare that the Ohio General Assembly did not constitutionally authorize the expansion of the Ohio Lottery to include VLT's in HB1;
- D. Declare that all proceeds generated by the VLT's/slot machines must be used for education as provided in Article XVI, Section 6 of the Ohio Constitution and

prohibiting Governor Strickland, the Commission and the Legislature from reducing Education Foundation Aid by spending and replacing such Foundation GRF dollars with funds from VLT's/slot machines.

- E. Issue a writ of mandamus or prohibition, or alternative writ of mandamus or prohibition, and/or preliminary and permanent injunction ordering the Governor, the Commission, and Burke to take no action in the furtherance of the expansion of the Ohio Lottery to include VLT's/slot machines and such other relief as stated in paragraphs 55, 63, and 67 above, as if fully rewritten herein;
- F. Sever the provision amending O.R.C. Chapter 3770 and changing the scope and applicability of O.R.C. Chapter 2915 in HB1 because these provisions are unconstitutional, null and void, and of no legal force and effect;
- G. Award Relators/Plaintiff their attorney's fees, if any, and costs in this action; and
- H. Grant such other relief as this Court deems equitable, reasonably, necessary or just.

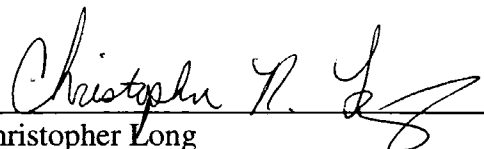
Respectfully submitted,



Timothy J. Grendell (0005827)
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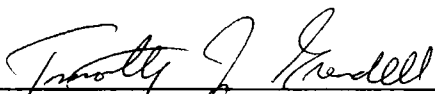
VERIFICATION

I, Christopher Long, being first duly sworn, upon my own information, knowledge and belief, depose and state that I have read the Verified Complaint/Petition and the facts contained therein, and they are true and correct and the exhibits attached thereto are true and accurate copies, as I truly believe.



Christopher Long


SWORN TO AND SUBSCRIBED before me, a Notary Public in and for said County, on this 14th day of September, 2009.



NOTARY PUBLIC
TIMOTHY J. GRENDELL
ATTORNEY AT LAW
MAY COMMISSION HAS NO EXPIRATION DATE

REQUEST FOR ORAL ARGUMENT

Relators/Plaintiffs hereby request an oral argument as to all matters and legal issues raised in this action.



Timothy J. Grendell (0005827)
Attorney for Relators/Plaintiffs

EXHIBIT A

Directive to the Ohio Lottery

July 13, 2009

Implementing Video Lottery Terminals

- 1. Ohio is Facing Significant Economic Challenges.** The national economic recession has caused many and substantial hardships for the people of Ohio. Many Ohioans rely on the health, safety and welfare services provided by the State. Declining employment and recessionary sales have led to declining tax revenues realized by the State, making it more and more challenging for the State to provide the educational, health and other services its people deserve. Without additional revenues, the State would be required to cut services even beyond the significant levels already undertaken and under consideration in current budget discussions.
- 2. The Implementation of Video Lottery Terminals (VLTs) is an Important Part of Ohio's Balanced Budget Plan.** The immediate implementation of VLTs by the Ohio Lottery is projected to generate approximately \$933 million in net proceeds during the coming biennium. The dedication of that revenue to education programs is critical to our continued efforts to strengthen Ohio's education system. Increased lottery revenues allow the state to dedicate scarce general revenue funds to critical programs benefiting the health, safety and welfare of Ohio's citizens, avoiding devastating cuts to those programs.
- 3. Implementation of VLTs Should Only Be Undertaken With Strong Legal Footing.** The Ohio Constitution authorizes the General Assembly to establish an agency of the State to manage lottery games to support education programs. The General Assembly has established the Ohio Lottery as that agency and has enacted various statutes authorizing the lottery to conduct and operate lottery games in accordance with the Constitution. The General Assembly has indicated to me its intent to pass legislation which would expressly acknowledge that the Ohio Lottery has the authority to implement VLTs under the existing laws of the State of Ohio and that the implementation of VLTs does not violate any provision of Ohio's separate prohibitions on gambling activity.
- 4. The Lottery Director Should Immediately Take Steps to Implement VLTs.** With an express acknowledgement of the General Assembly that the Ohio Lottery has the authority to implement VLTs, I believe that the Ohio Lottery can, and I direct the Lottery Director to, adopt rules regarding the implementation of VLTs and immediately take steps to implement VLTs in accordance with the following requirements unless and until they are modified or rejected by the General Assembly:

- a. **VLTs Should Only Operate At Licensed Racetrack Facilities.** So as to limit the proliferation of gambling activity to locations in which the local community has expressed its support for such activity, the Lottery Director should assure that licenses to operate VLTs are issued only to those who will operate the VLTs at facilities operated by those already licensed to offer pari-mutuel betting.
 - b. **VLTs Should Operate at Only Seven Racetrack Facilities at Any One Time.** Again, in order to limit the proliferation of gambling in the state, the Lottery Director should assure that only seven licenses to operate VLTs are issued at any one time.
 - c. **VLTs Licenses Shall Be Granted for a Minimum of Ten Years.** To assure effective regulatory oversight regarding those licensed to operate VLTs, licenses should be granted for a minimum of ten years and should be transferred only in accordance with strictly established guidelines.
 - d. **Strict Background Checks of Prospective VLT Licensees Shall Be Undertaken.** Strict criminal and financial background checks of all prospective VLT licensees shall be undertaken prior to the issuance of any such licenses and only those meeting clearly articulated standards shall be granted such licenses.
 - e. **VLTs Should Be Implemented Quickly, But Contracts Should Follow All Standard Bidding Requirements.** The Lottery should use any existing contracts it has which would permit the rapid implementation of VLTs, but any Lottery Commission contract for services associated with the implementation of VLTs must be awarded by competitive bidding unless competitive bidding requirements are waived by the Controlling Board.
 - f. **All VLT Profits Should Benefit Education Programs in Ohio.** In order to comply with the constitutional requirement regarding the use of lottery net proceeds, all VLT net proceeds shall be deposited and utilized to benefit education programs in Ohio in the same manner as all other lottery net proceeds.
5. **Absence of Implementing Legislation.** If the implementing legislation described in Paragraph 3 is not enacted into law as part of or prior to the FY10-11 biennial budget law and such law is not signed into law by me within five days of the issuance of this Directive, the Directive shall then be deemed immediately null and void.

Ted Strickland, Governor