



100TH GENERAL ASSEMBLY

State of Illinois

2017 and 2018

HB5182

by Rep. Robert Rita

SYNOPSIS AS INTRODUCED:

20 ILCS 1605/7.12

Amends the Illinois Lottery Law. Allows the Department of the Lottery to offer Lotto, Lucky Day Lotto, Mega Millions, Powerball, Pick 3, Pick 4, and other draw games that are offered at retail locations, as well as interactive instant win games, through the Internet program. Requires the private manager to obtain the Director of the Lottery's approval before providing any draw games or interactive instant win games. Provides that any games that are approved for sale by Lottery retail licensees are automatically approved for sale on the Internet. Removes certain provisions concerning the Department of the Lottery submitting a request to the United States Department of Justice to review the State's plan to implement the Internet program. Removes provisions prohibiting the Department from proceeding with the Internet program until a private manager is selected. Effective immediately.

LRB100 18216 SMS 33419 b

FISCAL NOTE ACT
MAY APPLY

A BILL FOR

1 AN ACT concerning State government.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The Illinois Lottery Law is amended by changing
5 Section 7.12 as follows:

6 (20 ILCS 1605/7.12)

7 (Section scheduled to be repealed on July 1, 2018)

8 Sec. 7.12. Internet program.

9 (a) The General Assembly finds that:

10 (1) the consumer market in Illinois has changed since
11 the creation of the Illinois State Lottery in 1974;

12 (2) the Internet has become an integral part of
13 everyday life for a significant number of Illinois
14 residents not only in regards to their professional life,
15 but also in regards to personal business and communication;
16 and

17 (3) the current practices of selling lottery tickets
18 does not appeal to the new form of market participants who
19 prefer to make purchases on the Internet at their own
20 convenience.

21 It is the intent of the General Assembly to create an
22 Internet program for the sale of lottery tickets to capture
23 this new form of market participant.

1 (b) The Department shall create a program that allows an
2 individual 18 years of age or older to purchase lottery tickets
3 or shares on the Internet without using a Lottery retailer with
4 on-line status, as those terms are defined by rule. The
5 Department shall restrict the sale of lottery tickets on the
6 Internet to transactions initiated and received or otherwise
7 made exclusively within the State of Illinois. The Department
8 shall adopt rules necessary for the administration of this
9 program. These rules shall include, among other things,
10 requirements for marketing of the Lottery to infrequent
11 players, as well as limitations on the purchases that may be
12 made through any one individual's lottery account. The
13 provisions of this Act and the rules adopted under this Act
14 shall apply to the sale of lottery tickets or shares under this
15 program.

16 The Department may offer Lotto, Lucky Day Lotto, Mega
17 Millions, Powerball, Pick 3, Pick 4, and other draw games that
18 are offered at retail locations, as well as interactive instant
19 win games, through the Internet program. The private manager
20 shall obtain the Director's approval before providing any draw
21 games or interactive instant win games. Any games that are
22 approved for sale by Lottery retail licensees are automatically
23 approved for sale on the Internet.

24 ~~Before beginning the program, the Department of the Lottery~~
25 ~~must submit a request to the United States Department of~~
26 ~~Justice for review of the State's plan to implement a program~~

1 ~~for the sale of lottery tickets on the Internet and its~~
2 ~~propriety under federal law. The Department shall implement the~~
3 ~~Internet program only if the Department of Justice does not~~
4 ~~object to the implementation of the program within a reasonable~~
5 ~~period of time after its review.~~

6 ~~The Department is obligated to implement the program set~~
7 ~~forth in this Section and Sections 7.15 and 7.16 only at such~~
8 ~~time, and to such extent, that the Department of Justice does~~
9 ~~not object to the implementation of the program within a~~
10 ~~reasonable period of time after its review. While the Illinois~~
11 ~~Lottery may only offer Lotto, Mega Millions, and Powerball~~
12 ~~games through the program, the Department shall request review~~
13 ~~from the federal Department of Justice for the Illinois Lottery~~
14 ~~to sell lottery tickets on the Internet on behalf of the State~~
15 ~~of Illinois that are not limited to just these games.~~

16 The Department shall authorize the private manager to
17 implement and administer the program pursuant to the management
18 agreement entered into under Section 9.1 and in a manner
19 consistent with the provisions of this Section. ~~If a private~~
20 ~~manager has not been selected pursuant to Section 9.1 at the~~
21 ~~time the Department is obligated to implement the program, then~~
22 ~~the Department shall not proceed with the program until after~~
23 ~~the selection of the private manager, at which time the~~
24 ~~Department shall authorize the private manager to implement and~~
25 ~~administer the program pursuant to the management agreement~~
26 ~~entered into under Section 9.1 and in a manner consistent with~~

1 ~~the provisions of this Section.~~

2 Nothing in this Section shall be construed as prohibiting
3 the Department from implementing and operating a website portal
4 whereby individuals who are 18 years of age or older with an
5 Illinois mailing address may apply to purchase lottery tickets
6 via subscription. Nothing in this Section shall also be
7 construed as prohibiting the sale of Lotto, Mega Millions, ~~and~~
8 Powerball, Lucky Day Lotto, Pick 3, or Pick 4 or any other draw
9 number games previously approved by the Lottery and actively
10 sold in licensed retail locations. ~~games by a lottery licensee~~
11 ~~pursuant to the Department's rules.~~

12 (c) (Blank).

13 (d) This Section is repealed on July 1, 2018.

14 (Source: P.A. 99-523, eff. 6-30-16; 100-23, eff. 7-6-17.)

15 Section 99. Effective date. This Act takes effect upon
16 becoming law.