

1 AN ACT concerning gaming.

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

4 Section 5. The Video Gaming Act is amended by changing  
5 Sections 20 and 25 as follows:

6 (230 ILCS 40/20)

7 Sec. 20. Direct dispensing of receipt tickets only. A video  
8 gaming terminal may not directly dispense coins, cash, tokens,  
9 or any other article of exchange or value except for receipt  
10 tickets. Tickets shall be dispensed by pressing the ticket  
11 dispensing button on the video gaming terminal at the end of  
12 one's turn or play. The ticket shall indicate the total amount  
13 of credits and the cash award, the time of day in a 24-hour  
14 format showing hours and minutes, the date, the terminal serial  
15 number, the sequential number of the ticket, and an encrypted  
16 validation number from which the validity of the prize may be  
17 determined. The player shall turn in this ticket to the  
18 appropriate person at the licensed establishment, licensed  
19 truck stop establishment, licensed fraternal establishment, or  
20 licensed veterans establishment to receive the cash award. The  
21 cost of the credit shall be one cent, 5 cents, 10 cents, or 25  
22 cents, and the maximum wager played per hand shall not exceed  
23 \$4 ~~\$2~~. No cash award for the maximum wager on any individual

1 hand shall exceed \$1,199 ~~\$500~~. No cash award for the maximum  
2 wager on a jackpot, progressive or otherwise, shall exceed  
3 \$10,000.

4 (Source: P.A. 96-34, eff. 7-13-09; 96-1410, eff. 7-30-10.)

5 (230 ILCS 40/25)

6 Sec. 25. Restriction of licensees.

7 (a) Manufacturer. A person may not be licensed as a  
8 manufacturer of a video gaming terminal in Illinois unless the  
9 person has a valid manufacturer's license issued under this  
10 Act. A manufacturer may only sell video gaming terminals for  
11 use in Illinois to persons having a valid distributor's  
12 license.

13 (b) Distributor. A person may not sell, distribute, or  
14 lease or market a video gaming terminal in Illinois unless the  
15 person has a valid distributor's license issued under this Act.  
16 A distributor may only sell video gaming terminals for use in  
17 Illinois to persons having a valid distributor's or terminal  
18 operator's license.

19 (c) Terminal operator. A person may not own, maintain, or  
20 place a video gaming terminal unless he has a valid terminal  
21 operator's license issued under this Act. A terminal operator  
22 may only place video gaming terminals for use in Illinois in  
23 licensed establishments, licensed truck stop establishments,  
24 licensed fraternal establishments, and licensed veterans  
25 establishments. No terminal operator or officer, employee, or

1 agent of a terminal operator may offer, promise, or give  
2 anything of value, including, but not limited to, a loan or  
3 financing arrangement, to a licensed establishment, licensed  
4 truck stop establishment, licensed fraternal establishment, or  
5 licensed veterans establishment in accordance with an  
6 agreement or arrangement or with the intent that the offer,  
7 promise, or gift of the thing of value shall act as an ~~any~~  
8 incentive or inducement with respect to locating or maintaining  
9 ~~locate~~ video terminals in that establishment. The following  
10 items and activities are permissible and do not constitute "of  
11 value" violations under this subsection:

12 (1) A terminal operator may reimburse a licensed  
13 establishment, licensed truck stop establishment, licensed  
14 fraternal establishment, or licensed veterans  
15 establishment for the actual cost of the food or  
16 non-alcoholic beverages given directly to video gaming  
17 terminal players in an amount not to exceed 5% of the  
18 terminal operator's monthly share of net terminal income if  
19 the licensed location has, for the preceding 6 consecutive  
20 calendar months, averaged monthly cumulative net terminal  
21 income for the location equivalent to net terminal income  
22 of at least \$120 per day per video gaming terminal  
23 immediately on the premises, and if the reimbursement  
24 terms, including the requirement that the terminal  
25 operator be provided with receipts or documentation of the  
26 actual cost of the food or non-alcoholic beverages, are set

1 forth in the written use agreement between the parties. In  
2 the event of the authorization of a players' rewards  
3 program, if food or non-alcoholic beverage awards are made  
4 available through the program, then a terminal operator may  
5 reimburse a licensed establishment, licensed truck stop  
6 establishment, licensed fraternal establishment, or  
7 licensed veterans establishment up to 50% of the actual  
8 cost of the food or non-alcoholic beverages awarded, and  
9 the reimbursement terms, including the requirement that  
10 the terminal operator be provided with receipts or  
11 documentation of the actual cost of the food or  
12 non-alcoholic beverages, are set forth in the written use  
13 agreement between the parties.

14 (2) A terminal operator may reimburse a licensed  
15 establishment, licensed truck stop establishment, licensed  
16 fraternal establishment, or licensed veterans  
17 establishment for up to 50% of the actual cost of  
18 promotional items, excluding food or non-alcoholic  
19 beverages, of more than nominal value, such as vacation  
20 trips and prizes that are given directly to video gaming  
21 terminal players if the reimbursement terms, including the  
22 requirement that the terminal operator be provided with  
23 receipts or documentation of the actual cost of these  
24 items, are set forth in the written use agreement between  
25 the parties. The cost of promotional items of nominal value  
26 that bear a logo or name and that are given to patrons or

1 video gaming terminal players, however, may not be  
2 reimbursed or shared and shall be paid for entirely by the  
3 terminal operator or the licensed location whose name or  
4 logo appears on the item. As used in this paragraph,  
5 "promotional items of nominal value" does not include gift  
6 cards, gift certificates, cash, and cash equivalents.

7 (3) A terminal operator may reimburse a licensed  
8 establishment, licensed truck stop establishment, licensed  
9 fraternal establishment, or licensed veterans  
10 establishment for up to 50% of the actual cost of  
11 advertising that promotes video gaming at that licensed  
12 location if the reimbursement terms, including the  
13 requirement that the terminal operator be provided with  
14 receipts or documentation of the actual cost of the  
15 advertising, are set forth in the written use agreement  
16 between the parties.

17 The Board shall adopt rules concerning the items and  
18 activities permissible under this subsection as well as other  
19 activities that do not constitute "of value" violations under  
20 this subsection.

21 Of the after-tax profits from a video gaming terminal, 50%  
22 shall be paid to the terminal operator and 50% shall be paid to  
23 the licensed establishment, licensed truck stop establishment,  
24 licensed fraternal establishment, or licensed veterans  
25 establishment, notwithstanding any agreement to the contrary.  
26 A video terminal operator or licensed location that violates

1 one or more requirements of this subsection is guilty of a  
2 Class 4 felony and is subject to termination of his or her  
3 license by the Board.

4 (d) Licensed technician. A person may not service,  
5 maintain, or repair a video gaming terminal in this State  
6 unless he or she (1) has a valid technician's license issued  
7 under this Act, (2) is a terminal operator, or (3) is employed  
8 by a terminal operator, distributor, or manufacturer.

9 (d-5) Licensed terminal handler. No person, including, but  
10 not limited to, an employee or independent contractor working  
11 for a manufacturer, distributor, supplier, technician, or  
12 terminal operator licensed pursuant to this Act, shall have  
13 possession or control of a video gaming terminal, or access to  
14 the inner workings of a video gaming terminal, unless that  
15 person possesses a valid terminal handler's license issued  
16 under this Act.

17 (e) Licensed establishment. No video gaming terminal may be  
18 placed in any licensed establishment, licensed veterans  
19 establishment, licensed truck stop establishment, or licensed  
20 fraternal establishment unless the owner or agent of the owner  
21 of the licensed establishment, licensed veterans  
22 establishment, licensed truck stop establishment, or licensed  
23 fraternal establishment has entered into a written use  
24 agreement with the terminal operator for placement of the  
25 terminals. A copy of the use agreement shall be on file in the  
26 terminal operator's place of business and available for

1 inspection by individuals authorized by the Board.

2 (e-5) A licensed establishment, licensed truck stop  
3 establishment, licensed veterans establishment, or licensed  
4 fraternal establishment may operate up to 5 video gaming  
5 terminals on its premises at any time.

6 (f) (Blank).

7 (g) Financial interest restrictions. As used in this Act,  
8 "substantial interest" in a partnership, a corporation, an  
9 organization, an association, a business, or a limited  
10 liability company means:

11 (A) When, with respect to a sole proprietorship, an  
12 individual or his or her spouse owns, operates, manages, or  
13 conducts, directly or indirectly, the organization,  
14 association, or business, or any part thereof; or

15 (B) When, with respect to a partnership, the individual  
16 or his or her spouse shares in any of the profits, or  
17 potential profits, of the partnership activities; or

18 (C) When, with respect to a corporation, an individual  
19 or his or her spouse is an officer or director, or the  
20 individual or his or her spouse is a holder, directly or  
21 beneficially, of 5% or more of any class of stock of the  
22 corporation; or

23 (D) When, with respect to an organization not covered  
24 in (A), (B) or (C) above, an individual or his or her  
25 spouse is an officer or manages the business affairs, or  
26 the individual or his or her spouse is the owner of or

1 otherwise controls 10% or more of the assets of the  
2 organization; or

3 (E) When an individual or his or her spouse furnishes  
4 5% or more of the capital, whether in cash, goods, or  
5 services, for the operation of any business, association,  
6 or organization during any calendar year; or

7 (F) When, with respect to a limited liability company,  
8 an individual or his or her spouse is a member, or the  
9 individual or his or her spouse is a holder, directly or  
10 beneficially, of 5% or more of the membership interest of  
11 the limited liability company.

12 For purposes of this subsection (g), "individual" includes  
13 all individuals or their spouses whose combined interest would  
14 qualify as a substantial interest under this subsection (g) and  
15 whose activities with respect to an organization, association,  
16 or business are so closely aligned or coordinated as to  
17 constitute the activities of a single entity.

18 (h) Location restriction. A licensed establishment,  
19 licensed truck stop establishment, licensed fraternal  
20 establishment, or licensed veterans establishment that is (i)  
21 located within 1,000 feet of a facility operated by an  
22 organization licensee licensed under the Illinois Horse Racing  
23 Act of 1975 or the home dock of a riverboat licensed under the  
24 Riverboat Gambling Act or (ii) located within 100 feet of a  
25 school or a place of worship under the Religious Corporation  
26 Act, is ineligible to operate a video gaming terminal. The



1 location restrictions in this subsection (h) do not apply if  
2 (A) a facility operated by an organization licensee, a school,  
3 or a place of worship moves to or is established within the  
4 restricted area after a licensed establishment, licensed truck  
5 stop establishment, licensed fraternal establishment, or  
6 licensed veterans establishment becomes licensed under this  
7 Act or (B) a school or place of worship moves to or is  
8 established within the restricted area after a licensed  
9 establishment, licensed truck stop establishment, licensed  
10 fraternal establishment, or licensed veterans establishment  
11 obtains its original liquor license. For the purpose of this  
12 subsection, "school" means an elementary or secondary public  
13 school, or an elementary or secondary private school registered  
14 with or recognized by the State Board of Education.

15 Notwithstanding the provisions of this subsection (h), the  
16 Board may waive the requirement that a licensed establishment,  
17 licensed truck stop establishment, licensed fraternal  
18 establishment, or licensed veterans establishment not be  
19 located within 1,000 feet from a facility operated by an  
20 organization licensee licensed under the Illinois Horse Racing  
21 Act of 1975 or the home dock of a riverboat licensed under the  
22 Riverboat Gambling Act. The Board shall not grant such waiver  
23 if there is any common ownership or control, shared business  
24 activity, or contractual arrangement of any type between the  
25 establishment and the organization licensee or owners licensee  
26 of a riverboat. The Board shall adopt rules to implement the

1 provisions of this paragraph.

2 (i) Undue economic concentration. In addition to  
3 considering all other requirements under this Act, in deciding  
4 whether to approve the operation of video gaming terminals by a  
5 terminal operator in a location, the Board shall consider the  
6 impact of any economic concentration of such operation of video  
7 gaming terminals. The Board shall not allow a terminal operator  
8 to operate video gaming terminals if the Board determines such  
9 operation will result in undue economic concentration. For  
10 purposes of this Section, "undue economic concentration" means  
11 that a terminal operator would have such actual or potential  
12 influence over video gaming terminals in Illinois as to:

13 (1) substantially impede or suppress competition among  
14 terminal operators;

15 (2) adversely impact the economic stability of the  
16 video gaming industry in Illinois; or

17 (3) negatively impact the purposes of the Video Gaming  
18 Act.

19 The Board shall adopt rules concerning undue economic  
20 concentration with respect to the operation of video gaming  
21 terminals in Illinois. The rules shall include, but not be  
22 limited to, (i) limitations on the number of video gaming  
23 terminals operated by any terminal operator within a defined  
24 geographic radius and (ii) guidelines on the discontinuation of  
25 operation of any such video gaming terminals the Board  
26 determines will cause undue economic concentration.

1           (j) The provisions of the Illinois Antitrust Act are fully  
2 and equally applicable to the activities of any licensee under  
3 this Act.

4           (Source: P.A. 97-333, eff. 8-12-11; 98-31, eff. 6-24-13; 98-77,  
5 eff. 7-15-13; 98-112, eff. 7-26-13; 98-756, eff. 7-16-14.)

6           Section 99. Effective date. This Act takes effect upon  
7 becoming law.