



Rep. Thaddeus Jones

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LRB100 04957 SMS 40350 a

1 AMENDMENT TO SENATE BILL 211

2 AMENDMENT NO. _____. Amend Senate Bill 211 by replacing
3 everything after the enacting clause with the following:

4 "Section 1. This Act may be referred to as the Illinois
5 Homeless Veterans and Working Families Lottery Law.

6 Section 5. The Illinois Lottery Law is amended by changing
7 Sections 2, 9, 9.1, and 20 and by adding Section 21.10 as
8 follows:

9 (20 ILCS 1605/2) (from Ch. 120, par. 1152)

10 (Text of Section before amendment by P.A. 100-466)

11 Sec. 2. This Act is enacted to implement and establish
12 within the State a lottery to be conducted by the State through
13 the Department. The entire net proceeds of the Lottery are to
14 be used for the support of the State's Common School Fund,
15 except as provided in subsection (o) of Section 9.1 and

1 Sections 21.5, 21.6, 21.7, 21.8, ~~and~~ 21.9, and 21.10. The
2 General Assembly finds that it is in the public interest for
3 the Department to conduct the functions of the Lottery with the
4 assistance of a private manager under a management agreement
5 overseen by the Department. The Department shall be accountable
6 to the General Assembly and the people of the State through a
7 comprehensive system of regulation, audits, reports, and
8 enduring operational oversight. The Department's ongoing
9 conduct of the Lottery through a management agreement with a
10 private manager shall act to promote and ensure the integrity,
11 security, honesty, and fairness of the Lottery's operation and
12 administration. It is the intent of the General Assembly that
13 the Department shall conduct the Lottery with the assistance of
14 a private manager under a management agreement at all times in
15 a manner consistent with 18 U.S.C. 1307(a)(1), 1307(b)(1),
16 1953(b)(4).

17 (Source: P.A. 98-649, eff. 6-16-14; 99-933, eff. 1-27-17.)

18 (Text of Section after amendment by P.A. 100-466)

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20 within the State a lottery to be conducted by the State through
21 the Department. The entire net proceeds of the Lottery are to
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24 Sections 21.5, 21.6, 21.7, 21.8, ~~and~~ 21.9, and 21.10. The
25 General Assembly finds that it is in the public interest for

1 the Department to conduct the functions of the Lottery with the
2 assistance of a private manager under a management agreement
3 overseen by the Department. The Department shall be accountable
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7 conduct of the Lottery through a management agreement with a
8 private manager shall act to promote and ensure the integrity,
9 security, honesty, and fairness of the Lottery's operation and
10 administration. It is the intent of the General Assembly that
11 the Department shall conduct the Lottery with the assistance of
12 a private manager under a management agreement at all times in
13 a manner consistent with 18 U.S.C. 1307(a)(1), 1307(b)(1),
14 1953(b)(4).

15 Beginning with Fiscal Year 2018 and every year thereafter,
16 any moneys transferred from the State Lottery Fund to the
17 Common School Fund shall be supplemental to, and not in lieu
18 of, any other money due to be transferred to the Common School
19 Fund by law or appropriation.

20 (Source: P.A. 99-933, eff. 1-27-17; 100-466, eff. 6-1-18.)

21 (20 ILCS 1605/9) (from Ch. 120, par. 1159)

22 Sec. 9. The Director, as administrative head of the
23 Department, shall direct and supervise all its administrative
24 and technical activities. In addition to the duties imposed
25 upon him elsewhere in this Act, it shall be the Director's

1 duty:

2 a. To supervise and administer the operation of the
3 lottery in accordance with the provisions of this Act or
4 such rules and regulations of the Department adopted
5 thereunder.

6 b. To attend meetings of the Board or to appoint a
7 designee to attend in his stead.

8 c. To employ and direct such personnel in accord with
9 the Personnel Code, as may be necessary to carry out the
10 purposes of this Act. In addition, the Director may by
11 agreement secure such services as he or she may deem
12 necessary from any other department, agency, or unit of the
13 State government, and may employ and compensate such
14 consultants and technical assistants as may be required and
15 is otherwise permitted by law.

16 d. To license, in accordance with the provisions of
17 Sections 10 and 10.1 of this Act and the rules and
18 regulations of the Department adopted thereunder, as
19 agents to sell lottery tickets such persons as in his
20 opinion will best serve the public convenience and promote
21 the sale of tickets or shares. The Director may require a
22 bond from every licensed agent, in such amount as provided
23 in the rules and regulations of the Department. Every
24 licensed agent shall prominently display his license, or a
25 copy thereof, as provided in the rules and regulations of
26 the Department.

1 e. To suspend or revoke any license issued pursuant to
2 this Act or the rules and regulations promulgated by the
3 Department thereunder.

4 f. To confer regularly as necessary or desirable and
5 not less than once every month with the Lottery Control
6 Board on the operation and administration of the Lottery;
7 to make available for inspection by the Board or any member
8 of the Board, upon request, all books, records, files, and
9 other information and documents of his office; to advise
10 the Board and recommend such rules and regulations and such
11 other matters as he deems necessary and advisable to
12 improve the operation and administration of the lottery.

13 g. To enter into contracts for the operation of the
14 lottery, or any part thereof, and into contracts for the
15 promotion of the lottery on behalf of the Department with
16 any person, firm or corporation, to perform any of the
17 functions provided for in this Act or the rules and
18 regulations promulgated thereunder. The Department shall
19 not expend State funds on a contractual basis for such
20 functions unless those functions and expenditures are
21 expressly authorized by the General Assembly.

22 h. To enter into an agreement or agreements with the
23 management of state lotteries operated pursuant to the laws
24 of other states for the purpose of creating and operating a
25 multi-state lottery game wherein a separate and distinct
26 prize pool would be combined to award larger prizes to the

1 public than could be offered by the several state
2 lotteries, individually. No tickets or shares offered in
3 connection with a multi-state lottery game shall be sold
4 within the State of Illinois, except those offered by and
5 through the Department. No such agreement shall purport to
6 pledge the full faith and credit of the State of Illinois,
7 nor shall the Department expend State funds on a
8 contractual basis in connection with any such game unless
9 such expenditures are expressly authorized by the General
10 Assembly, provided, however, that in the event of error or
11 omission by the Illinois State Lottery in the conduct of
12 the game, as determined by the multi-state game directors,
13 the Department shall be authorized to pay a prize winner or
14 winners the lesser of a disputed prize or \$1,000,000, any
15 such payment to be made solely from funds appropriated for
16 game prize purposes. The Department shall be authorized to
17 share in the ordinary operating expenses of any such
18 multi-state lottery game, from funds appropriated by the
19 General Assembly, and in the event the multi-state game
20 control offices are physically located within the State of
21 Illinois, the Department is authorized to advance start-up
22 operating costs not to exceed \$150,000, subject to
23 proportionate reimbursement of such costs by the other
24 participating state lotteries. The Department shall be
25 authorized to share proportionately in the costs of
26 establishing a liability reserve fund from funds

1 appropriated by the General Assembly. The Department is
2 authorized to transfer prize award funds attributable to
3 Illinois sales of multi-state lottery game tickets to the
4 multi-state control office, or its designated depository,
5 for deposit to such game pool account or accounts as may be
6 established by the multi-state game directors, the records
7 of which account or accounts shall be available at all
8 times for inspection in an audit by the Auditor General of
9 Illinois and any other auditors pursuant to the laws of the
10 State of Illinois. No multi-state game prize awarded to a
11 nonresident of Illinois, with respect to a ticket or share
12 purchased in a state other than the State of Illinois,
13 shall be deemed to be a prize awarded under this Act for
14 the purpose of taxation under the Illinois Income Tax Act.
15 The Department shall promulgate such rules as may be
16 appropriate to implement the provisions of this Section.

17 i. To make a continuous study and investigation of (1)
18 the operation and the administration of similar laws which
19 may be in effect in other states or countries, (2) any
20 literature on the subject which from time to time may be
21 published or available, (3) any Federal laws which may
22 affect the operation of the lottery, and (4) the reaction
23 of Illinois citizens to existing and potential features of
24 the lottery with a view to recommending or effecting
25 changes that will tend to serve the purposes of this Act.

26 j. To report monthly to the State Treasurer and the

1 Lottery Control Board a full and complete statement of
2 lottery revenues, prize disbursements and other expenses
3 for each month and the amounts to be transferred to the
4 Common School Fund pursuant to Section 7.2, and to make an
5 annual report, which shall include a full and complete
6 statement of lottery revenues, prize disbursements and
7 other expenses, to the Governor and the Board. All reports
8 required by this subsection shall be public and copies of
9 all such reports shall be sent to the Speaker of the House,
10 the President of the Senate, and the minority leaders of
11 both houses.

12 k. To keep the name and municipality of residence of
13 the prize winner of a prize of \$250,000 or greater
14 confidential upon the prize winner making a written request
15 that his or her name and municipality of residence be kept
16 confidential. The prize winner must submit his or her
17 written request at the time of claiming the prize. The
18 written request shall be in the form established by the
19 Department. Nothing in this paragraph k supersedes the
20 Department's duty to disclose the name and municipality of
21 residence of a prize winner of a prize of \$250,000 or
22 greater pursuant to the Freedom of Information Act.

23 (Source: P.A. 98-499, eff. 8-16-13; 99-933, eff. 1-27-17.)

24 (20 ILCS 1605/9.1)

25 Sec. 9.1. Private manager and management agreement.

1 (a) As used in this Section:

2 "Offeror" means a person or group of persons that responds
3 to a request for qualifications under this Section.

4 "Request for qualifications" means all materials and
5 documents prepared by the Department to solicit the following
6 from offerors:

7 (1) Statements of qualifications.

8 (2) Proposals to enter into a management agreement,
9 including the identity of any prospective vendor or vendors
10 that the offeror intends to initially engage to assist the
11 offeror in performing its obligations under the management
12 agreement.

13 "Final offer" means the last proposal submitted by an
14 offeror in response to the request for qualifications,
15 including the identity of any prospective vendor or vendors
16 that the offeror intends to initially engage to assist the
17 offeror in performing its obligations under the management
18 agreement.

19 "Final offeror" means the offeror ultimately selected by
20 the Governor to be the private manager for the Lottery under
21 subsection (h) of this Section.

22 (b) By September 15, 2010, the Governor shall select a
23 private manager for the total management of the Lottery with
24 integrated functions, such as lottery game design, supply of
25 goods and services, and advertising and as specified in this
26 Section.

1 (c) Pursuant to the terms of this subsection, the
2 Department shall endeavor to expeditiously terminate the
3 existing contracts in support of the Lottery in effect on the
4 effective date of this amendatory Act of the 96th General
5 Assembly in connection with the selection of the private
6 manager. As part of its obligation to terminate these contracts
7 and select the private manager, the Department shall establish
8 a mutually agreeable timetable to transfer the functions of
9 existing contractors to the private manager so that existing
10 Lottery operations are not materially diminished or impaired
11 during the transition. To that end, the Department shall do the
12 following:

13 (1) where such contracts contain a provision
14 authorizing termination upon notice, the Department shall
15 provide notice of termination to occur upon the mutually
16 agreed timetable for transfer of functions;

17 (2) upon the expiration of any initial term or renewal
18 term of the current Lottery contracts, the Department shall
19 not renew such contract for a term extending beyond the
20 mutually agreed timetable for transfer of functions; or

21 (3) in the event any current contract provides for
22 termination of that contract upon the implementation of a
23 contract with the private manager, the Department shall
24 perform all necessary actions to terminate the contract on
25 the date that coincides with the mutually agreed timetable
26 for transfer of functions.

1 If the contracts to support the current operation of the
2 Lottery in effect on the effective date of this amendatory Act
3 of the 96th General Assembly are not subject to termination as
4 provided for in this subsection (c), then the Department may
5 include a provision in the contract with the private manager
6 specifying a mutually agreeable methodology for incorporation.

7 (c-5) The Department shall include provisions in the
8 management agreement whereby the private manager shall, for a
9 fee, and pursuant to a contract negotiated with the Department
10 (the "Employee Use Contract"), utilize the services of current
11 Department employees to assist in the administration and
12 operation of the Lottery. The Department shall be the employer
13 of all such bargaining unit employees assigned to perform such
14 work for the private manager, and such employees shall be State
15 employees, as defined by the Personnel Code. Department
16 employees shall operate under the same employment policies,
17 rules, regulations, and procedures, as other employees of the
18 Department. In addition, neither historical representation
19 rights under the Illinois Public Labor Relations Act, nor
20 existing collective bargaining agreements, shall be disturbed
21 by the management agreement with the private manager for the
22 management of the Lottery.

23 (d) The management agreement with the private manager shall
24 include all of the following:

25 (1) A term not to exceed 10 years, including any
26 renewals.

1 (2) A provision specifying that the Department:

2 (A) shall exercise actual control over all
3 significant business decisions;

4 (A-5) has the authority to direct or countermand
5 operating decisions by the private manager at any time;

6 (B) has ready access at any time to information
7 regarding Lottery operations;

8 (C) has the right to demand and receive information
9 from the private manager concerning any aspect of the
10 Lottery operations at any time; and

11 (D) retains ownership of all trade names,
12 trademarks, and intellectual property associated with
13 the Lottery.

14 (3) A provision imposing an affirmative duty on the
15 private manager to provide the Department with material
16 information and with any information the private manager
17 reasonably believes the Department would want to know to
18 enable the Department to conduct the Lottery.

19 (4) A provision requiring the private manager to
20 provide the Department with advance notice of any operating
21 decision that bears significantly on the public interest,
22 including, but not limited to, decisions on the kinds of
23 games to be offered to the public and decisions affecting
24 the relative risk and reward of the games being offered, so
25 the Department has a reasonable opportunity to evaluate and
26 countermand that decision.

1 (5) A provision providing for compensation of the
2 private manager that may consist of, among other things, a
3 fee for services and a performance based bonus as
4 consideration for managing the Lottery, including terms
5 that may provide the private manager with an increase in
6 compensation if Lottery revenues grow by a specified
7 percentage in a given year.

8 (6) (Blank).

9 (7) A provision requiring the deposit of all Lottery
10 proceeds to be deposited into the State Lottery Fund except
11 as otherwise provided in Section 20 of this Act.

12 (8) A provision requiring the private manager to locate
13 its principal office within the State.

14 (8-5) A provision encouraging that at least 20% of the
15 cost of contracts entered into for goods and services by
16 the private manager in connection with its management of
17 the Lottery, other than contracts with sales agents or
18 technical advisors, be awarded to businesses that are a
19 minority-owned business, a women-owned business, or a
20 business owned by a person with disability, as those terms
21 are defined in the Business Enterprise for Minorities,
22 Women, and Persons with Disabilities Act.

23 (9) A requirement that so long as the private manager
24 complies with all the conditions of the agreement under the
25 oversight of the Department, the private manager shall have
26 the following duties and obligations with respect to the

1 management of the Lottery:

2 (A) The right to use equipment and other assets
3 used in the operation of the Lottery.

4 (B) The rights and obligations under contracts
5 with retailers and vendors.

6 (C) The implementation of a comprehensive security
7 program by the private manager.

8 (D) The implementation of a comprehensive system
9 of internal audits.

10 (E) The implementation of a program by the private
11 manager to curb compulsive gambling by persons playing
12 the Lottery.

13 (F) A system for determining (i) the type of
14 Lottery games, (ii) the method of selecting winning
15 tickets, (iii) the manner of payment of prizes to
16 holders of winning tickets, (iv) the frequency of
17 drawings of winning tickets, (v) the method to be used
18 in selling tickets, (vi) a system for verifying the
19 validity of tickets claimed to be winning tickets,
20 (vii) the basis upon which retailer commissions are
21 established by the manager, and (viii) minimum
22 payouts.

23 (10) A requirement that advertising and promotion must
24 be consistent with Section 7.8a of this Act.

25 (11) A requirement that the private manager market the
26 Lottery to those residents who are new, infrequent, or

1 lapsed players of the Lottery, especially those who are
2 most likely to make regular purchases on the Internet as
3 permitted by law.

4 (12) A code of ethics for the private manager's
5 officers and employees.

6 (13) A requirement that the Department monitor and
7 oversee the private manager's practices and take action
8 that the Department considers appropriate to ensure that
9 the private manager is in compliance with the terms of the
10 management agreement, while allowing the manager, unless
11 specifically prohibited by law or the management
12 agreement, to negotiate and sign its own contracts with
13 vendors.

14 (14) A provision requiring the private manager to
15 periodically file, at least on an annual basis, appropriate
16 financial statements in a form and manner acceptable to the
17 Department.

18 (15) Cash reserves requirements.

19 (16) Procedural requirements for obtaining the prior
20 approval of the Department when a management agreement or
21 an interest in a management agreement is sold, assigned,
22 transferred, or pledged as collateral to secure financing.

23 (17) Grounds for the termination of the management
24 agreement by the Department or the private manager.

25 (18) Procedures for amendment of the agreement.

26 (19) A provision requiring the private manager to

1 engage in an open and competitive bidding process for any
2 procurement having a cost in excess of \$50,000 that is not
3 a part of the private manager's final offer. The process
4 shall favor the selection of a vendor deemed to have
5 submitted a proposal that provides the Lottery with the
6 best overall value. The process shall not be subject to the
7 provisions of the Illinois Procurement Code, unless
8 specifically required by the management agreement.

9 (20) The transition of rights and obligations,
10 including any associated equipment or other assets used in
11 the operation of the Lottery, from the manager to any
12 successor manager of the lottery, including the
13 Department, following the termination of or foreclosure
14 upon the management agreement.

15 (21) Right of use of copyrights, trademarks, and
16 service marks held by the Department in the name of the
17 State. The agreement must provide that any use of them by
18 the manager shall only be for the purpose of fulfilling its
19 obligations under the management agreement during the term
20 of the agreement.

21 (22) The disclosure of any information requested by the
22 Department to enable it to comply with the reporting
23 requirements and information requests provided for under
24 subsection (p) of this Section.

25 (e) Notwithstanding any other law to the contrary, the
26 Department shall select a private manager through a competitive

1 request for qualifications process consistent with Section
2 20-35 of the Illinois Procurement Code, which shall take into
3 account:

4 (1) the offeror's ability to market the Lottery to
5 those residents who are new, infrequent, or lapsed players
6 of the Lottery, especially those who are most likely to
7 make regular purchases on the Internet;

8 (2) the offeror's ability to address the State's
9 concern with the social effects of gambling on those who
10 can least afford to do so;

11 (3) the offeror's ability to provide the most
12 successful management of the Lottery for the benefit of the
13 people of the State based on current and past business
14 practices or plans of the offeror; and

15 (4) the offeror's poor or inadequate past performance
16 in servicing, equipping, operating or managing a lottery on
17 behalf of Illinois, another State or foreign government and
18 attracting persons who are not currently regular players of
19 a lottery.

20 (f) The Department may retain the services of an advisor or
21 advisors with significant experience in financial services or
22 the management, operation, and procurement of goods, services,
23 and equipment for a government-run lottery to assist in the
24 preparation of the terms of the request for qualifications and
25 selection of the private manager. Any prospective advisor
26 seeking to provide services under this subsection (f) shall

1 disclose any material business or financial relationship
2 during the past 3 years with any potential offeror, or with a
3 contractor or subcontractor presently providing goods,
4 services, or equipment to the Department to support the
5 Lottery. The Department shall evaluate the material business or
6 financial relationship of each prospective advisor. The
7 Department shall not select any prospective advisor with a
8 substantial business or financial relationship that the
9 Department deems to impair the objectivity of the services to
10 be provided by the prospective advisor. During the course of
11 the advisor's engagement by the Department, and for a period of
12 one year thereafter, the advisor shall not enter into any
13 business or financial relationship with any offeror or any
14 vendor identified to assist an offeror in performing its
15 obligations under the management agreement. Any advisor
16 retained by the Department shall be disqualified from being an
17 offeror. The Department shall not include terms in the request
18 for qualifications that provide a material advantage whether
19 directly or indirectly to any potential offeror, or any
20 contractor or subcontractor presently providing goods,
21 services, or equipment to the Department to support the
22 Lottery, including terms contained in previous responses to
23 requests for proposals or qualifications submitted to
24 Illinois, another State or foreign government when those terms
25 are uniquely associated with a particular potential offeror,
26 contractor, or subcontractor. The request for proposals

1 offered by the Department on December 22, 2008 as
2 "LOT08GAMESYS" and reference number "22016176" is declared
3 void.

4 (g) The Department shall select at least 2 offerors as
5 finalists to potentially serve as the private manager no later
6 than August 9, 2010. Upon making preliminary selections, the
7 Department shall schedule a public hearing on the finalists'
8 proposals and provide public notice of the hearing at least 7
9 calendar days before the hearing. The notice must include all
10 of the following:

11 (1) The date, time, and place of the hearing.

12 (2) The subject matter of the hearing.

13 (3) A brief description of the management agreement to
14 be awarded.

15 (4) The identity of the offerors that have been
16 selected as finalists to serve as the private manager.

17 (5) The address and telephone number of the Department.

18 (h) At the public hearing, the Department shall (i) provide
19 sufficient time for each finalist to present and explain its
20 proposal to the Department and the Governor or the Governor's
21 designee, including an opportunity to respond to questions
22 posed by the Department, Governor, or designee and (ii) allow
23 the public and non-selected offerors to comment on the
24 presentations. The Governor or a designee shall attend the
25 public hearing. After the public hearing, the Department shall
26 have 14 calendar days to recommend to the Governor whether a

1 management agreement should be entered into with a particular
2 finalist. After reviewing the Department's recommendation, the
3 Governor may accept or reject the Department's recommendation,
4 and shall select a final offeror as the private manager by
5 publication of a notice in the Illinois Procurement Bulletin on
6 or before September 15, 2010. The Governor shall include in the
7 notice a detailed explanation and the reasons why the final
8 offeror is superior to other offerors and will provide
9 management services in a manner that best achieves the
10 objectives of this Section. The Governor shall also sign the
11 management agreement with the private manager.

12 (i) Any action to contest the private manager selected by
13 the Governor under this Section must be brought within 7
14 calendar days after the publication of the notice of the
15 designation of the private manager as provided in subsection
16 (h) of this Section.

17 (j) The Lottery shall remain, for so long as a private
18 manager manages the Lottery in accordance with provisions of
19 this Act, a Lottery conducted by the State, and the State shall
20 not be authorized to sell or transfer the Lottery to a third
21 party.

22 (k) Any tangible personal property used exclusively in
23 connection with the lottery that is owned by the Department and
24 leased to the private manager shall be owned by the Department
25 in the name of the State and shall be considered to be public
26 property devoted to an essential public and governmental

1 function.

2 (l) The Department may exercise any of its powers under
3 this Section or any other law as necessary or desirable for the
4 execution of the Department's powers under this Section.

5 (m) Neither this Section nor any management agreement
6 entered into under this Section prohibits the General Assembly
7 from authorizing forms of gambling that are not in direct
8 competition with the Lottery.

9 (n) The private manager shall be subject to a complete
10 investigation in the third, seventh, and tenth years of the
11 agreement (if the agreement is for a 10-year term) by the
12 Department in cooperation with the Auditor General to determine
13 whether the private manager has complied with this Section and
14 the management agreement. The private manager shall bear the
15 cost of an investigation or reinvestigation of the private
16 manager under this subsection.

17 (o) The powers conferred by this Section are in addition
18 and supplemental to the powers conferred by any other law. If
19 any other law or rule is inconsistent with this Section,
20 including, but not limited to, provisions of the Illinois
21 Procurement Code, then this Section controls as to any
22 management agreement entered into under this Section. This
23 Section and any rules adopted under this Section contain full
24 and complete authority for a management agreement between the
25 Department and a private manager. No law, procedure,
26 proceeding, publication, notice, consent, approval, order, or

1 act by the Department or any other officer, Department, agency,
2 or instrumentality of the State or any political subdivision is
3 required for the Department to enter into a management
4 agreement under this Section. This Section contains full and
5 complete authority for the Department to approve any contracts
6 entered into by a private manager with a vendor providing
7 goods, services, or both goods and services to the private
8 manager under the terms of the management agreement, including
9 subcontractors of such vendors.

10 Upon receipt of a written request from the Chief
11 Procurement Officer, the Department shall provide to the Chief
12 Procurement Officer a complete and un-redacted copy of the
13 management agreement or any contract that is subject to the
14 Department's approval authority under this subsection (o). The
15 Department shall provide a copy of the agreement or contract to
16 the Chief Procurement Officer in the time specified by the
17 Chief Procurement Officer in his or her written request, but no
18 later than 5 business days after the request is received by the
19 Department. The Chief Procurement Officer must retain any
20 portions of the management agreement or of any contract
21 designated by the Department as confidential, proprietary, or
22 trade secret information in complete confidence pursuant to
23 subsection (g) of Section 7 of the Freedom of Information Act.
24 The Department shall also provide the Chief Procurement Officer
25 with reasonable advance written notice of any contract that is
26 pending Department approval.

1 Notwithstanding any other provision of this Section to the
2 contrary, the Chief Procurement Officer shall adopt
3 administrative rules, including emergency rules, to establish
4 a procurement process to select a successor private manager if
5 a private management agreement has been terminated. The
6 selection process shall at a minimum take into account the
7 criteria set forth in items (1) through (4) of subsection (e)
8 of this Section and may include provisions consistent with
9 subsections (f), (g), (h), and (i) of this Section. The Chief
10 Procurement Officer shall also implement and administer the
11 adopted selection process upon the termination of a private
12 management agreement. The Department, after the Chief
13 Procurement Officer certifies that the procurement process has
14 been followed in accordance with the rules adopted under this
15 subsection (o), shall select a final offeror as the private
16 manager and sign the management agreement with the private
17 manager.

18 Except as provided in Sections 21.5, 21.6, 21.7, 21.8, ~~and~~
19 21.9, and 21.10, the Department shall distribute all proceeds
20 of lottery tickets and shares sold in the following priority
21 and manner:

22 (1) The payment of prizes and retailer bonuses.

23 (2) The payment of costs incurred in the operation and
24 administration of the Lottery, including the payment of
25 sums due to the private manager under the management
26 agreement with the Department.

1 (3) On the last day of each month or as soon thereafter
2 as possible, the State Comptroller shall direct and the
3 State Treasurer shall transfer from the State Lottery Fund
4 to the Common School Fund an amount that is equal to the
5 proceeds transferred in the corresponding month of fiscal
6 year 2009, as adjusted for inflation, to the Common School
7 Fund.

8 (4) On or before the last day of each fiscal year,
9 deposit any remaining proceeds, subject to payments under
10 items (1), (2), and (3) into the Capital Projects Fund each
11 fiscal year.

12 (p) The Department shall be subject to the following
13 reporting and information request requirements:

14 (1) the Department shall submit written quarterly
15 reports to the Governor and the General Assembly on the
16 activities and actions of the private manager selected
17 under this Section;

18 (2) upon request of the Chief Procurement Officer, the
19 Department shall promptly produce information related to
20 the procurement activities of the Department and the
21 private manager requested by the Chief Procurement
22 Officer; the Chief Procurement Officer must retain
23 confidential, proprietary, or trade secret information
24 designated by the Department in complete confidence
25 pursuant to subsection (g) of Section 7 of the Freedom of
26 Information Act; and

1 (3) at least 30 days prior to the beginning of the
2 Department's fiscal year, the Department shall prepare an
3 annual written report on the activities of the private
4 manager selected under this Section and deliver that report
5 to the Governor and General Assembly.

6 (Source: P.A. 99-933, eff. 1-27-17; 100-391, eff. 8-25-17.)

7 (20 ILCS 1605/20) (from Ch. 120, par. 1170)

8 Sec. 20. State Lottery Fund.

9 (a) There is created in the State Treasury a special fund
10 to be known as the "State Lottery Fund". Such fund shall
11 consist of all revenues received from (1) the sale of lottery
12 tickets or shares, (net of commissions, fees representing those
13 expenses that are directly proportionate to the sale of tickets
14 or shares at the agent location, and prizes of less than \$600
15 which have been validly paid at the agent level), (2)
16 application fees, and (3) all other sources including moneys
17 credited or transferred thereto from any other fund or source
18 pursuant to law. Interest earnings of the State Lottery Fund
19 shall be credited to the Common School Fund.

20 (b) The receipt and distribution of moneys under Section
21 21.5 of this Act shall be in accordance with Section 21.5.

22 (c) The receipt and distribution of moneys under Section
23 21.6 of this Act shall be in accordance with Section 21.6.

24 (d) The receipt and distribution of moneys under Section
25 21.7 of this Act shall be in accordance with Section 21.7.

1 (e) The receipt and distribution of moneys under Section
2 21.8 of this Act shall be in accordance with Section 21.8.

3 (f) The receipt and distribution of moneys under Section
4 21.9 of this Act shall be in accordance with Section 21.9.

5 (g) The receipt and distribution of moneys under Section
6 21.10 of this Act shall be in accordance with Section 21.10.

7 (Source: P.A. 98-649, eff. 6-16-14.)

8 (20 ILCS 1605/21.10 new)

9 Sec. 21.10. Scratch-off for homelessness prevention
10 programs.

11 (a) The Department shall offer a special instant
12 scratch-off game to fund homelessness prevention programs. The
13 game shall commence on July 1, 2019 or as soon thereafter, at
14 the discretion of the Director, as is reasonably practical. The
15 operation of the game shall be governed by this Act and any
16 rules adopted by the Department. If any provision of this
17 Section is inconsistent with any other provision of this Act,
18 then this Section governs.

19 (b) The Homelessness Prevention Revenue Fund is created as
20 a special fund in the State treasury. The net revenue from the
21 scratch-off game to fund homelessness prevention programs
22 shall be deposited into the Homelessness Prevention Revenue
23 Fund. Subject to appropriation, moneys in the Fund shall be
24 used by the Department of Human Services solely for grants to
25 homelessness prevention and assistance projects under the

1 Homelessness Prevention Act.

2 As used in this subsection, "net revenue" means the total
3 amount for which tickets have been sold less the sum of the
4 amount paid out in the prizes and the actual administrative
5 expenses of the Department solely related to the scratch-off
6 game under this Section.

7 (c) During the time that tickets are sold for the
8 scratch-off game to fund homelessness prevention programs, the
9 Department shall not unreasonably diminish the efforts devoted
10 to marketing any other instant scratch-off lottery game.

11 (d) The Department may adopt any rules necessary to
12 implement and administer the provisions of this Section.

13 (e) Nothing in this Section shall be construed to affect
14 any revenue that any Homelessness Prevention line item receives
15 through the General Revenue Fund or the Illinois Affordable
16 Housing Trust Fund.

17 Section 10. The State Finance Act is amended by adding
18 Section 5.886 as follows:

19 (30 ILCS 105/5.886 new)

20 Sec. 5.886. The Homelessness Prevention Revenue Fund.

21 Section 95. No acceleration or delay. Where this Act makes
22 changes in a statute that is represented in this Act by text
23 that is not yet or no longer in effect (for example, a Section

1 represented by multiple versions), the use of that text does
2 not accelerate or delay the taking effect of (i) the changes
3 made by this Act or (ii) provisions derived from any other
4 Public Act.

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