



Rep. Robert Rita

## Adopted in House on Nov 14, 2019

10100SB0222ham003

LRB101 05070 SMS 64812 a

1 AMENDMENT TO SENATE BILL 222

2 AMENDMENT NO. \_\_\_\_\_. Amend Senate Bill 222, AS AMENDED, by  
3 replacing everything after the enacting clause with the  
4 following:

5 "Section 5. The Illinois Gambling Act is amended by  
6 changing Sections 7.7 and 22 as follows:

7 (230 ILCS 10/7.7)

8 Sec. 7.7. Organization gaming licenses.

9 (a) The Illinois Gaming Board shall award one organization  
10 gaming license to each person or entity having operating  
11 control of a racetrack that applies under Section 56 of the  
12 Illinois Horse Racing Act of 1975, subject to the application  
13 and eligibility requirements of this Section. Within 60 days  
14 after the effective date of this amendatory Act of the 101st  
15 General Assembly, a person or entity having operating control  
16 of a racetrack may submit an application for an organization

1 gaming license. The application shall be made on such forms as  
2 provided by the Board and shall contain such information as the  
3 Board prescribes, including, but not limited to, the identity  
4 of any racetrack at which gaming will be conducted pursuant to  
5 an organization gaming license, detailed information regarding  
6 the ownership and management of the applicant, and detailed  
7 personal information regarding the applicant. The application  
8 shall specify the number of gaming positions the applicant  
9 intends to use and the place where the organization gaming  
10 facility will operate. A person who knowingly makes a false  
11 statement on an application is guilty of a Class A misdemeanor.

12 Each applicant shall disclose the identity of every person  
13 or entity having a direct or indirect pecuniary interest  
14 greater than 1% in any racetrack with respect to which the  
15 license is sought. If the disclosed entity is a corporation,  
16 the applicant shall disclose the names and addresses of all  
17 officers, stockholders, and directors. If the disclosed entity  
18 is a limited liability company, the applicant shall disclose  
19 the names and addresses of all members and managers. If the  
20 disclosed entity is a partnership, the applicant shall disclose  
21 the names and addresses of all partners, both general and  
22 limited. If the disclosed entity is a trust, the applicant  
23 shall disclose the names and addresses of all beneficiaries.

24 An application shall be filed and considered in accordance  
25 with the rules of the Board. Each application for an  
26 organization gaming license shall include a nonrefundable

1 application fee of \$250,000. In addition, a nonrefundable fee  
2 of \$50,000 shall be paid at the time of filing to defray the  
3 costs associated with background investigations conducted by  
4 the Board. If the costs of the background investigation exceed  
5 \$50,000, the applicant shall pay the additional amount to the  
6 Board within 7 days after a request by the Board. If the costs  
7 of the investigation are less than \$50,000, the applicant shall  
8 receive a refund of the remaining amount. All information,  
9 records, interviews, reports, statements, memoranda, or other  
10 data supplied to or used by the Board in the course of this  
11 review or investigation of an applicant for an organization  
12 gaming license under this Act shall be privileged and strictly  
13 confidential and shall be used only for the purpose of  
14 evaluating an applicant for an organization gaming license or a  
15 renewal. Such information, records, interviews, reports,  
16 statements, memoranda, or other data shall not be admissible as  
17 evidence nor discoverable in any action of any kind in any  
18 court or before any tribunal, board, agency or person, except  
19 for any action deemed necessary by the Board. The application  
20 fee shall be deposited into the State Gaming Fund.

21 Any applicant or key person, including the applicant's  
22 owners, officers, directors (if a corporation), managers and  
23 members (if a limited liability company), and partners (if a  
24 partnership), for an organization gaming license shall have his  
25 or her fingerprints submitted to the Department of State Police  
26 in an electronic format that complies with the form and manner

1 for requesting and furnishing criminal history record  
2 information as prescribed by the Department of State Police.  
3 These fingerprints shall be checked against the Department of  
4 State Police and Federal Bureau of Investigation criminal  
5 history record databases now and hereafter filed, including,  
6 but not limited to, civil, criminal, and latent fingerprint  
7 databases. The Department of State Police shall charge  
8 applicants a fee for conducting the criminal history records  
9 check, which shall be deposited into the State Police Services  
10 Fund and shall not exceed the actual cost of the records check.  
11 The Department of State Police shall furnish, pursuant to  
12 positive identification, records of Illinois criminal history  
13 to the Department. ~~Each applicant shall submit with his or her~~  
14 ~~application, on forms provided by the Board, a set of his or~~  
15 ~~her fingerprints. The Board shall charge each applicant a fee~~  
16 ~~set by the Department of State Police to defray the costs~~  
17 ~~associated with the search and classification of fingerprints~~  
18 ~~obtained by the Board with respect to the applicant's~~  
19 ~~application. This fee shall be paid into the State Police~~  
20 ~~Services Fund.~~

21 (b) The Board shall determine within 120 days after  
22 receiving an application for an organization gaming license  
23 whether to grant an organization gaming license to the  
24 applicant. If the Board does not make a determination within  
25 that time period, then the Board shall give a written  
26 explanation to the applicant as to why it has not reached a

1 determination and when it reasonably expects to make a  
2 determination.

3 The organization gaming licensee shall purchase up to the  
4 amount of gaming positions authorized under this Act within 120  
5 days after receiving its organization gaming license. If an  
6 organization gaming licensee is prepared to purchase the gaming  
7 positions, but is temporarily prohibited from doing so by order  
8 of a court of competent jurisdiction or the Board, then the  
9 120-day period is tolled until a resolution is reached.

10 An organization gaming license shall authorize its holder  
11 to conduct gaming under this Act at its racetracks on the same  
12 days of the year and hours of the day that owners licenses are  
13 allowed to operate under approval of the Board.

14 An organization gaming license and any renewal of an  
15 organization gaming license shall authorize gaming pursuant to  
16 this Section for a period of 4 years. The fee for the issuance  
17 or renewal of an organization gaming license shall be \$250,000.

18 All payments by licensees under this subsection (b) shall  
19 be deposited into the Rebuild Illinois Projects Fund.

20 (c) To be eligible to conduct gaming under this Section, a  
21 person or entity having operating control of a racetrack must  
22 (i) obtain an organization gaming license, (ii) hold an  
23 organization license under the Illinois Horse Racing Act of  
24 1975, (iii) hold an inter-track wagering license, (iv) pay an  
25 initial fee of \$30,000 per gaming position from organization  
26 gaming licensees where gaming is conducted in Cook County and,

1 except as provided in subsection (c-5), \$17,500 for  
2 organization gaming licensees where gaming is conducted  
3 outside of Cook County before beginning to conduct gaming plus  
4 make the reconciliation payment required under subsection (k),  
5 (v) conduct live racing in accordance with subsections (e-1),  
6 (e-2), and (e-3) of Section 20 of the Illinois Horse Racing Act  
7 of 1975, (vi) meet the requirements of subsection (a) of  
8 Section 56 of the Illinois Horse Racing Act of 1975, (vii) for  
9 organization licensees conducting standardbred race meetings,  
10 keep backstretch barns and dormitories open and operational  
11 year-round unless a lesser schedule is mutually agreed to by  
12 the organization licensee and the horsemen association racing  
13 at that organization licensee's race meeting, (viii) for  
14 organization licensees conducting thoroughbred race meetings,  
15 the organization licensee must maintain accident medical  
16 expense liability insurance coverage of \$1,000,000 for  
17 jockeys, and (ix) meet all other requirements of this Act that  
18 apply to owners licensees.

19 An organization gaming licensee may enter into a joint  
20 venture with a licensed owner to own, manage, conduct, or  
21 otherwise operate the organization gaming licensee's  
22 organization gaming facilities, unless the organization gaming  
23 licensee has a parent company or other affiliated company that  
24 is, directly or indirectly, wholly owned by a parent company  
25 that is also licensed to conduct organization gaming, casino  
26 gaming, or their equivalent in another state.

1 All payments by licensees under this subsection (c) shall  
2 be deposited into the Rebuild Illinois Projects Fund.

3 (c-5) A person or entity having operating control of a  
4 racetrack located in Madison County shall only pay the initial  
5 fees specified in subsection (c) for 540 of the gaming  
6 positions authorized under the license.

7 (d) A person or entity is ineligible to receive an  
8 organization gaming license if:

9 (1) the person or entity has been convicted of a felony  
10 under the laws of this State, any other state, or the  
11 United States, including a conviction under the Racketeer  
12 Influenced and Corrupt Organizations Act;

13 (2) the person or entity has been convicted of any  
14 violation of Article 28 of the Criminal Code of 2012, or  
15 substantially similar laws of any other jurisdiction;

16 (3) the person or entity has submitted an application  
17 for a license under this Act that contains false  
18 information;

19 (4) the person is a member of the Board;

20 (5) a person defined in (1), (2), (3), or (4) of this  
21 subsection (d) is an officer, director, or managerial  
22 employee of the entity;

23 (6) the person or entity employs a person defined in  
24 (1), (2), (3), or (4) of this subsection (d) who  
25 participates in the management or operation of gambling  
26 operations authorized under this Act; or

1           (7) a license of the person or entity issued under this  
2           Act or a license to own or operate gambling facilities in  
3           any other jurisdiction has been revoked.

4           (e) The Board may approve gaming positions pursuant to an  
5           organization gaming license statewide as provided in this  
6           Section. The authority to operate gaming positions under this  
7           Section shall be allocated as follows: up to 1,200 gaming  
8           positions for any organization gaming licensee in Cook County  
9           and up to 900 gaming positions for any organization gaming  
10          licensee outside of Cook County.

11          (f) Each applicant for an organization gaming license shall  
12          specify in its application for licensure the number of gaming  
13          positions it will operate, up to the applicable limitation set  
14          forth in subsection (e) of this Section. Any unreserved gaming  
15          positions that are not specified shall be forfeited and  
16          retained by the Board. For the purposes of this subsection (f),  
17          an organization gaming licensee that did not conduct live  
18          racing in 2010 and is located within 3 miles of the Mississippi  
19          River may reserve up to 900 positions and shall not be  
20          penalized under this Section for not operating those positions  
21          until it meets the requirements of subsection (e) of this  
22          Section, but such licensee shall not request unreserved gaming  
23          positions under this subsection (f) until its 900 positions are  
24          all operational.

25          Thereafter, the Board shall publish the number of  
26          unreserved gaming positions and shall accept requests for



1 additional positions from any organization gaming licensee  
2 that initially reserved all of the positions that were offered.  
3 The Board shall allocate expeditiously the unreserved gaming  
4 positions to requesting organization gaming licensees in a  
5 manner that maximizes revenue to the State. The Board may  
6 allocate any such unused gaming positions pursuant to an open  
7 and competitive bidding process, as provided under Section 7.5  
8 of this Act. This process shall continue until all unreserved  
9 gaming positions have been purchased. All positions obtained  
10 pursuant to this process and all positions the organization  
11 gaming licensee specified it would operate in its application  
12 must be in operation within 18 months after they were obtained  
13 or the organization gaming licensee forfeits the right to  
14 operate those positions, but is not entitled to a refund of any  
15 fees paid. The Board may, after holding a public hearing, grant  
16 extensions so long as the organization gaming licensee is  
17 working in good faith to make the positions operational. The  
18 extension may be for a period of 6 months. If, after the period  
19 of the extension, the organization gaming licensee has not made  
20 the positions operational, then another public hearing must be  
21 held by the Board before it may grant another extension.

22 Unreserved gaming positions retained from and allocated to  
23 organization gaming licensees by the Board pursuant to this  
24 subsection (f) shall not be allocated to owners licensees under  
25 this Act.

26 For the purpose of this subsection (f), the unreserved

1 gaming positions for each organization gaming licensee shall be  
2 the applicable limitation set forth in subsection (e) of this  
3 Section, less the number of reserved gaming positions by such  
4 organization gaming licensee, and the total unreserved gaming  
5 positions shall be the aggregate of the unreserved gaming  
6 positions for all organization gaming licensees.

7 (g) An organization gaming licensee is authorized to  
8 conduct the following at a racetrack:

9 (1) slot machine gambling;

10 (2) video game of chance gambling;

11 (3) gambling with electronic gambling games as defined  
12 in this Act or defined by the Illinois Gaming Board; and

13 (4) table games.

14 (h) Subject to the approval of the Illinois Gaming Board,  
15 an organization gaming licensee may make modification or  
16 additions to any existing buildings and structures to comply  
17 with the requirements of this Act. The Illinois Gaming Board  
18 shall make its decision after consulting with the Illinois  
19 Racing Board. In no case, however, shall the Illinois Gaming  
20 Board approve any modification or addition that alters the  
21 grounds of the organization licensee such that the act of live  
22 racing is an ancillary activity to gaming authorized under this  
23 Section. Gaming authorized under this Section may take place in  
24 existing structures where inter-track wagering is conducted at  
25 the racetrack or a facility within 300 yards of the racetrack  
26 in accordance with the provisions of this Act and the Illinois

1 Horse Racing Act of 1975.

2 (i) An organization gaming licensee may conduct gaming at a  
3 temporary facility pending the construction of a permanent  
4 facility or the remodeling or relocation of an existing  
5 facility to accommodate gaming participants for up to 24 months  
6 after the temporary facility begins to conduct gaming  
7 authorized under this Section. Upon request by an organization  
8 gaming licensee and upon a showing of good cause by the  
9 organization gaming licensee, the Board shall extend the period  
10 during which the licensee may conduct gaming authorized under  
11 this Section at a temporary facility by up to 12 months. The  
12 Board shall make rules concerning the conduct of gaming  
13 authorized under this Section from temporary facilities.

14 The gaming authorized under this Section may take place in  
15 existing structures where inter-track wagering is conducted at  
16 the racetrack or a facility within 300 yards of the racetrack  
17 in accordance with the provisions of this Act and the Illinois  
18 Horse Racing Act of 1975.

19 (i-5) Under no circumstances shall an organization gaming  
20 licensee conduct gaming at any State or county fair.

21 (j) The Illinois Gaming Board must adopt emergency rules in  
22 accordance with Section 5-45 of the Illinois Administrative  
23 Procedure Act as necessary to ensure compliance with the  
24 provisions of this amendatory Act of the 101st General Assembly  
25 concerning the conduct of gaming by an organization gaming  
26 licensee. The adoption of emergency rules authorized by this

1 subsection (j) shall be deemed to be necessary for the public  
2 interest, safety, and welfare.

3 (k) Each organization gaming licensee who obtains gaming  
4 positions must make a reconciliation payment 3 years after the  
5 date the organization gaming licensee begins operating the  
6 positions in an amount equal to 75% of the difference between  
7 its adjusted gross receipts from gaming authorized under this  
8 Section and amounts paid to its purse accounts pursuant to item  
9 (1) of subsection (b) of Section 56 of the Illinois Horse  
10 Racing Act of 1975 for the 12-month period for which such  
11 difference was the largest, minus an amount equal to the  
12 initial per position fee paid by the organization gaming  
13 licensee. If this calculation results in a negative amount,  
14 then the organization gaming licensee is not entitled to any  
15 reimbursement of fees previously paid. This reconciliation  
16 payment may be made in installments over a period of no more  
17 than 2 years, subject to Board approval. Any installment  
18 payments shall include an annual market interest rate as  
19 determined by the Board.

20 All payments by licensees under this subsection (k) shall  
21 be deposited into the Rebuild Illinois Projects Fund.

22 (l) As soon as practical after a request is made by the  
23 Illinois Gaming Board, to minimize duplicate submissions by the  
24 applicant, the Illinois Racing Board must provide information  
25 on an applicant for an organization gaming license to the  
26 Illinois Gaming Board.

1 (Source: P.A. 101-31, eff. 6-28-19.)

2 (230 ILCS 10/22) (from Ch. 120, par. 2422)

3 Sec. 22. Criminal history record information. Whenever the  
4 Board is authorized or required by law to consider some aspect  
5 of criminal history record information for the purpose of  
6 carrying out its statutory powers and responsibilities, the  
7 Board shall, in the form and manner required by the Department  
8 of State Police and the Federal Bureau of Investigation, cause  
9 to be conducted a criminal history record investigation to  
10 obtain any information currently or thereafter contained in the  
11 files of the Department of State Police or the Federal Bureau  
12 of Investigation, including, but not limited to, civil,  
13 criminal, and latent fingerprint databases. Each applicant for  
14 occupational licensing under Section 9 or key person as defined  
15 by the Board in administrative rules shall submit his or her  
16 fingerprints to the Department of State Police in the form and  
17 manner prescribed by the Department of State Police. These  
18 fingerprints shall be checked against the fingerprint records  
19 now and hereafter filed in the Department of State Police and  
20 Federal Bureau of Investigation criminal history records  
21 databases, including, but not limited to, civil, criminal, and  
22 latent fingerprint databases. The Department of State Police  
23 shall charge a fee for conducting the criminal history records  
24 check, which shall be deposited in the State Police Services  
25 Fund and shall not exceed the actual cost of the records check.

1 The Department of State Police shall provide, on the Board's  
2 request, information concerning any criminal charges, and  
3 their disposition, currently or thereafter filed against any ~~an~~  
4 applicant, key person, ~~for~~ or holder of any ~~an occupational~~  
5 license or for determinations of suitability. Information  
6 obtained as a result of an investigation under this Section  
7 shall be used in determining eligibility for any ~~an~~  
8 ~~occupational~~ license ~~under Section 9~~. Upon request and payment  
9 of fees in conformance with the requirements of Section  
10 2605-400 of the Department of State Police Law (20 ILCS  
11 2605/2605-400), the Department of State Police is authorized to  
12 furnish, pursuant to positive identification, such information  
13 contained in State files as is necessary to fulfill the  
14 request.

15 (Source: P.A. 93-418, eff. 1-1-04.)

16 Section 10. The Sports Wagering Act is amended by changing  
17 Section 25-20 and by adding Section 25-107 as follows:

18 (230 ILCS 45/25-20)

19 Sec. 25-20. Licenses required.

20 (a) No person may engage in any activity in connection with  
21 sports wagering in this State unless all necessary licenses  
22 have been obtained in accordance with this Act and the rules of  
23 the Board and the Department. The following licenses shall be  
24 issued under this Act:

- 1 (1) master sports wagering license;
- 2 (2) occupational license;
- 3 (3) supplier license;
- 4 (4) management services provider license;
- 5 (5) tier 2 official league data provider license; and
- 6 (6) central system provider license.

7 No person or entity may engage in a sports wagering  
8 operation or activity without first obtaining the appropriate  
9 license.

10 (b) An applicant for a license issued under this Act shall  
11 submit an application to the Board in the form the Board  
12 requires. The applicant shall submit fingerprints for a  
13 national criminal records check by the Department of State  
14 Police and the Federal Bureau of Investigation. The  
15 fingerprints shall be furnished by the applicant's owners,  
16 officers, and directors (if a corporation), managers and  
17 members (if a limited liability company), and partners (if a  
18 partnership). The fingerprints shall be accompanied by a signed  
19 authorization for the release of information by the Federal  
20 Bureau of Investigation. The Board may require additional  
21 background checks on licensees when they apply for license  
22 renewal, and an applicant convicted of a disqualifying offense  
23 shall not be licensed.

24 (c) Each master sports wagering licensee shall display the  
25 license conspicuously in the licensee's place of business or  
26 have the license available for inspection by an agent of the

1 Board or a law enforcement agency.

2 (d) Each holder of an occupational license shall carry the  
3 license and have some indicia of licensure prominently  
4 displayed on his or her person when present in a gaming  
5 facility licensed under this Act at all times, in accordance  
6 with the rules of the Board.

7 (e) Each person licensed under this Act shall give the  
8 Board written notice within 30 days after a material change to  
9 information provided in the licensee's application for a  
10 license or renewal.

11 (Source: P.A. 101-31, eff. 6-28-19; revised 9-26-19.)

12 (230 ILCS 45/25-107 new)

13 Sec. 25-107. Applicability of the Illinois Gambling Act.  
14 Insofar as a provision of the Sports Wagering Act is silent on  
15 a provision, the Illinois Gambling Act, and all rules adopted  
16 thereunder, shall apply to the Sports Wagering Act. If there is  
17 a conflict between the Sports Wagering Act and the Illinois  
18 Gambling Act, the Sports Wagering Act shall control.

19 Section 99. Effective date. This Act takes effect upon  
20 becoming law."