

1 AN ACT concerning business.

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

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

6 (230 ILCS 10/7.7)

7 Sec. 7.7. Organization gaming licenses.

8 (a) The Illinois Gaming Board shall award one organization
9 gaming license to each person or entity having operating
10 control of a racetrack that applies under Section 56 of the
11 Illinois Horse Racing Act of 1975, subject to the application
12 and eligibility requirements of this Section. Within 60 days
13 after the effective date of this amendatory Act of the 101st
14 General Assembly, a person or entity having operating control
15 of a racetrack may submit an application for an organization
16 gaming license. The application shall be made on such forms as
17 provided by the Board and shall contain such information as the
18 Board prescribes, including, but not limited to, the identity
19 of any racetrack at which gaming will be conducted pursuant to
20 an organization gaming license, detailed information regarding
21 the ownership and management of the applicant, and detailed
22 personal information regarding the applicant. The application
23 shall specify the number of gaming positions the applicant

1 intends to use and the place where the organization gaming
2 facility will operate. A person who knowingly makes a false
3 statement on an application is guilty of a Class A misdemeanor.

4 Each applicant shall disclose the identity of every person
5 or entity having a direct or indirect pecuniary interest
6 greater than 1% in any racetrack with respect to which the
7 license is sought. If the disclosed entity is a corporation,
8 the applicant shall disclose the names and addresses of all
9 officers, stockholders, and directors. If the disclosed entity
10 is a limited liability company, the applicant shall disclose
11 the names and addresses of all members and managers. If the
12 disclosed entity is a partnership, the applicant shall disclose
13 the names and addresses of all partners, both general and
14 limited. If the disclosed entity is a trust, the applicant
15 shall disclose the names and addresses of all beneficiaries.

16 An application shall be filed and considered in accordance
17 with the rules of the Board. Each application for an
18 organization gaming license shall include a nonrefundable
19 application fee of \$250,000. In addition, a nonrefundable fee
20 of \$50,000 shall be paid at the time of filing to defray the
21 costs associated with background investigations conducted by
22 the Board. If the costs of the background investigation exceed
23 \$50,000, the applicant shall pay the additional amount to the
24 Board within 7 days after a request by the Board. If the costs
25 of the investigation are less than \$50,000, the applicant shall
26 receive a refund of the remaining amount. All information,

1 records, interviews, reports, statements, memoranda, or other
2 data supplied to or used by the Board in the course of this
3 review or investigation of an applicant for an organization
4 gaming license under this Act shall be privileged and strictly
5 confidential and shall be used only for the purpose of
6 evaluating an applicant for an organization gaming license or a
7 renewal. Such information, records, interviews, reports,
8 statements, memoranda, or other data shall not be admissible as
9 evidence nor discoverable in any action of any kind in any
10 court or before any tribunal, board, agency or person, except
11 for any action deemed necessary by the Board. The application
12 fee shall be deposited into the State Gaming Fund.

13 Any applicant or key person, including the applicant's
14 owners, officers, directors (if a corporation), managers and
15 members (if a limited liability company), and partners (if a
16 partnership), for an organization gaming license shall have his
17 or her fingerprints submitted to the Department of State Police
18 in an electronic format that complies with the form and manner
19 for requesting and furnishing criminal history record
20 information as prescribed by the Department of State Police.
21 These fingerprints shall be checked against the Department of
22 State Police and Federal Bureau of Investigation criminal
23 history record databases now and hereafter filed, including,
24 but not limited to, civil, criminal, and latent fingerprint
25 databases. The Department of State Police shall charge
26 applicants a fee for conducting the criminal history records

1 check, which shall be deposited into the State Police Services
2 Fund and shall not exceed the actual cost of the records check.
3 The Department of State Police shall furnish, pursuant to
4 positive identification, records of Illinois criminal history
5 to the Department. ~~Each applicant shall submit with his or her~~
6 ~~application, on forms provided by the Board, a set of his or~~
7 ~~her fingerprints. The Board shall charge each applicant a fee~~
8 ~~set by the Department of State Police to defray the costs~~
9 ~~associated with the search and classification of fingerprints~~
10 ~~obtained by the Board with respect to the applicant's~~
11 ~~application. This fee shall be paid into the State Police~~
12 ~~Services Fund.~~

13 (b) The Board shall determine within 120 days after
14 receiving an application for an organization gaming license
15 whether to grant an organization gaming license to the
16 applicant. If the Board does not make a determination within
17 that time period, then the Board shall give a written
18 explanation to the applicant as to why it has not reached a
19 determination and when it reasonably expects to make a
20 determination.

21 The organization gaming licensee shall purchase up to the
22 amount of gaming positions authorized under this Act within 120
23 days after receiving its organization gaming license. If an
24 organization gaming licensee is prepared to purchase the gaming
25 positions, but is temporarily prohibited from doing so by order
26 of a court of competent jurisdiction or the Board, then the

1 120-day period is tolled until a resolution is reached.

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

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

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

12 (c) To be eligible to conduct gaming under this Section, a
13 person or entity having operating control of a racetrack must
14 (i) obtain an organization gaming license, (ii) hold an
15 organization license under the Illinois Horse Racing Act of
16 1975, (iii) hold an inter-track wagering license, (iv) pay an
17 initial fee of \$30,000 per gaming position from organization
18 gaming licensees where gaming is conducted in Cook County and,
19 except as provided in subsection (c-5), \$17,500 for
20 organization gaming licensees where gaming is conducted
21 outside of Cook County before beginning to conduct gaming plus
22 make the reconciliation payment required under subsection (k),
23 (v) conduct live racing in accordance with subsections (e-1),
24 (e-2), and (e-3) of Section 20 of the Illinois Horse Racing Act
25 of 1975, (vi) meet the requirements of subsection (a) of
26 Section 56 of the Illinois Horse Racing Act of 1975, (vii) for

1 organization licensees conducting standardbred race meetings,
2 keep backstretch barns and dormitories open and operational
3 year-round unless a lesser schedule is mutually agreed to by
4 the organization licensee and the horsemen association racing
5 at that organization licensee's race meeting, (viii) for
6 organization licensees conducting thoroughbred race meetings,
7 the organization licensee must maintain accident medical
8 expense liability insurance coverage of \$1,000,000 for
9 jockeys, and (ix) meet all other requirements of this Act that
10 apply to owners licensees.

11 An organization gaming licensee may enter into a joint
12 venture with a licensed owner to own, manage, conduct, or
13 otherwise operate the organization gaming licensee's
14 organization gaming facilities, unless the organization gaming
15 licensee has a parent company or other affiliated company that
16 is, directly or indirectly, wholly owned by a parent company
17 that is also licensed to conduct organization gaming, casino
18 gaming, or their equivalent in another state.

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

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

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

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

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

8 (3) the person or entity has submitted an application
9 for a license under this Act that contains false
10 information;

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

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

15 (6) the person or entity employs a person defined in
16 (1), (2), (3), or (4) of this subsection (d) who
17 participates in the management or operation of gambling
18 operations authorized under this Act; or

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

22 (e) The Board may approve gaming positions pursuant to an
23 organization gaming license statewide as provided in this
24 Section. The authority to operate gaming positions under this
25 Section shall be allocated as follows: up to 1,200 gaming
26 positions for any organization gaming licensee in Cook County

1 and up to 900 gaming positions for any organization gaming
2 licensee outside of Cook County.

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

17 Thereafter, the Board shall publish the number of
18 unreserved gaming positions and shall accept requests for
19 additional positions from any organization gaming licensee
20 that initially reserved all of the positions that were offered.
21 The Board shall allocate expeditiously the unreserved gaming
22 positions to requesting organization gaming licensees in a
23 manner that maximizes revenue to the State. The Board may
24 allocate any such unused gaming positions pursuant to an open
25 and competitive bidding process, as provided under Section 7.5
26 of this Act. This process shall continue until all unreserved

1 gaming positions have been purchased. All positions obtained
2 pursuant to this process and all positions the organization
3 gaming licensee specified it would operate in its application
4 must be in operation within 18 months after they were obtained
5 or the organization gaming licensee forfeits the right to
6 operate those positions, but is not entitled to a refund of any
7 fees paid. The Board may, after holding a public hearing, grant
8 extensions so long as the organization gaming licensee is
9 working in good faith to make the positions operational. The
10 extension may be for a period of 6 months. If, after the period
11 of the extension, the organization gaming licensee has not made
12 the positions operational, then another public hearing must be
13 held by the Board before it may grant another extension.

14 Unreserved gaming positions retained from and allocated to
15 organization gaming licensees by the Board pursuant to this
16 subsection (f) shall not be allocated to owners licensees under
17 this Act.

18 For the purpose of this subsection (f), the unreserved
19 gaming positions for each organization gaming licensee shall be
20 the applicable limitation set forth in subsection (e) of this
21 Section, less the number of reserved gaming positions by such
22 organization gaming licensee, and the total unreserved gaming
23 positions shall be the aggregate of the unreserved gaming
24 positions for all organization gaming licensees.

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

- 1 (1) slot machine gambling;
- 2 (2) video game of chance gambling;
- 3 (3) gambling with electronic gambling games as defined
- 4 in this Act or defined by the Illinois Gaming Board; and
- 5 (4) table games.

6 (h) Subject to the approval of the Illinois Gaming Board,
7 an organization gaming licensee may make modification or
8 additions to any existing buildings and structures to comply
9 with the requirements of this Act. The Illinois Gaming Board
10 shall make its decision after consulting with the Illinois
11 Racing Board. In no case, however, shall the Illinois Gaming
12 Board approve any modification or addition that alters the
13 grounds of the organization licensee such that the act of live
14 racing is an ancillary activity to gaming authorized under this
15 Section. Gaming authorized under this Section may take place in
16 existing structures where inter-track wagering is conducted at
17 the racetrack or a facility within 300 yards of the racetrack
18 in accordance with the provisions of this Act and the Illinois
19 Horse Racing Act of 1975.

20 (i) An organization gaming licensee may conduct gaming at a
21 temporary facility pending the construction of a permanent
22 facility or the remodeling or relocation of an existing
23 facility to accommodate gaming participants for up to 24 months
24 after the temporary facility begins to conduct gaming
25 authorized under this Section. Upon request by an organization
26 gaming licensee and upon a showing of good cause by the

1 organization gaming licensee, the Board shall extend the period
2 during which the licensee may conduct gaming authorized under
3 this Section at a temporary facility by up to 12 months. The
4 Board shall make rules concerning the conduct of gaming
5 authorized under this Section from temporary facilities.

6 The gaming authorized under this Section may take place in
7 existing structures where inter-track wagering is conducted at
8 the racetrack or a facility within 300 yards of the racetrack
9 in accordance with the provisions of this Act and the Illinois
10 Horse Racing Act of 1975.

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

13 (j) The Illinois Gaming Board must adopt emergency rules in
14 accordance with Section 5-45 of the Illinois Administrative
15 Procedure Act as necessary to ensure compliance with the
16 provisions of this amendatory Act of the 101st General Assembly
17 concerning the conduct of gaming by an organization gaming
18 licensee. The adoption of emergency rules authorized by this
19 subsection (j) shall be deemed to be necessary for the public
20 interest, safety, and welfare.

21 (k) Each organization gaming licensee who obtains gaming
22 positions must make a reconciliation payment 3 years after the
23 date the organization gaming licensee begins operating the
24 positions in an amount equal to 75% of the difference between
25 its adjusted gross receipts from gaming authorized under this
26 Section and amounts paid to its purse accounts pursuant to item

1 (1) of subsection (b) of Section 56 of the Illinois Horse
2 Racing Act of 1975 for the 12-month period for which such
3 difference was the largest, minus an amount equal to the
4 initial per position fee paid by the organization gaming
5 licensee. If this calculation results in a negative amount,
6 then the organization gaming licensee is not entitled to any
7 reimbursement of fees previously paid. This reconciliation
8 payment may be made in installments over a period of no more
9 than 2 years, subject to Board approval. Any installment
10 payments shall include an annual market interest rate as
11 determined by the Board.

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

14 (1) As soon as practical after a request is made by the
15 Illinois Gaming Board, to minimize duplicate submissions by the
16 applicant, the Illinois Racing Board must provide information
17 on an applicant for an organization gaming license to the
18 Illinois Gaming Board.

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

20 (230 ILCS 10/22) (from Ch. 120, par. 2422)

21 Sec. 22. Criminal history record information. Whenever the
22 Board is authorized or required by law to consider some aspect
23 of criminal history record information for the purpose of
24 carrying out its statutory powers and responsibilities, the
25 Board shall, in the form and manner required by the Department

1 of State Police and the Federal Bureau of Investigation, cause
2 to be conducted a criminal history record investigation to
3 obtain any information currently or thereafter contained in the
4 files of the Department of State Police or the Federal Bureau
5 of Investigation, including, but not limited to, civil,
6 criminal, and latent fingerprint databases. Each applicant for
7 occupational licensing under Section 9 or key person as defined
8 by the Board in administrative rules shall submit his or her
9 fingerprints to the Department of State Police in the form and
10 manner prescribed by the Department of State Police. These
11 fingerprints shall be checked against the fingerprint records
12 now and hereafter filed in the Department of State Police and
13 Federal Bureau of Investigation criminal history records
14 databases, including, but not limited to, civil, criminal, and
15 latent fingerprint databases. The Department of State Police
16 shall charge a fee for conducting the criminal history records
17 check, which shall be deposited in the State Police Services
18 Fund and shall not exceed the actual cost of the records check.
19 The Department of State Police shall provide, on the Board's
20 request, information concerning any criminal charges, and
21 their disposition, currently or thereafter filed against any ~~an~~
22 applicant, key person, for or holder of any ~~an occupational~~
23 license or for determinations of suitability. Information
24 obtained as a result of an investigation under this Section
25 shall be used in determining eligibility for any ~~an~~
26 ~~occupational license under Section 9~~. Upon request and payment

1 of fees in conformance with the requirements of Section
2 2605-400 of the Department of State Police Law (20 ILCS
3 2605/2605-400), the Department of State Police is authorized to
4 furnish, pursuant to positive identification, such information
5 contained in State files as is necessary to fulfill the
6 request.

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

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

10 (230 ILCS 45/25-20)

11 Sec. 25-20. Licenses required.

12 (a) No person may engage in any activity in connection with
13 sports wagering in this State unless all necessary licenses
14 have been obtained in accordance with this Act and the rules of
15 the Board and the Department. The following licenses shall be
16 issued under this Act:

17 (1) master sports wagering license;

18 (2) occupational license;

19 (3) supplier license;

20 (4) management services provider license;

21 (5) tier 2 official league data provider license; and

22 (6) central system provider license.

23 No person or entity may engage in a sports wagering
24 operation or activity without first obtaining the appropriate

1 license.

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

16 (c) Each master sports wagering licensee shall display the
17 license conspicuously in the licensee's place of business or
18 have the license available for inspection by an agent of the
19 Board or a law enforcement agency.

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

25 (e) Each person licensed under this Act shall give the
26 Board written notice within 30 days after a material change to

1 information provided in the licensee's application for a
2 license or renewal.

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

4 (230 ILCS 45/25-107 new)

5 Sec. 25-107. Applicability of the Illinois Gambling Act.

6 Insofar as a provision of the Sports Wagering Act is silent on
7 a provision, the Illinois Gambling Act, and all rules adopted
8 thereunder, shall apply to the Sports Wagering Act. If there is
9 a conflict between the Sports Wagering Act and the Illinois
10 Gambling Act, the Sports Wagering Act shall control.

11 Section 99. Effective date. This Act takes effect upon
12 becoming law.