



## 96TH GENERAL ASSEMBLY

### State of Illinois

2009 and 2010

HB0261

Introduced 1/23/2009, by Rep. Lou Lang

#### SYNOPSIS AS INTRODUCED:

See Index

Amends the Riverboat Gambling Act. Provides that applications for owners licenses shall be considered in accordance with the rules of the Illinois Gaming Board (deleting statutory deadlines for filing the applications). Makes changes in provisions concerning the determining factors in the Board's decision in granting owners licenses. Makes changes concerning the criteria for an occupational license. Provides that excursion cruises shall not exceed 4 hours for a round trip, but that the Board may grant express approval for an extended cruise on a case-by-case basis. Provides exceptions to the requirement that gambling equipment and supplies must be purchased or leased only from suppliers licensed under the Act. Provides that any winnings that are a result of a wager by a person under age 21 shall be treated as winnings for privilege tax purposes, confiscated, and forfeited to the State and deposited into the Education Assistance Fund. Provides that the privilege tax shall be paid to the Board not later than 5:00 (was 3:00) o'clock p.m. of the day after the day when the wagers were made. Requires that, within 90 days after the end of each quarter of each fiscal year, the licensed owner or manager shall transmit to the Board a compliance report on engagement procedures determined by the Board. Provides that a person under the age of 21 who enters upon a riverboat commits a petty offense and is subject to a fine. Makes changes concerning admission taxes. Makes other changes. Effective immediately.

LRB096 00228 AMC 10234 b

FISCAL NOTE ACT  
MAY APPLY

A BILL FOR

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 Riverboat Gambling Act is amended by  
5 changing Sections 4, 6, 7, 9, 11, 12, 13, 15, and 18 as  
6 follows:

7 (230 ILCS 10/4) (from Ch. 120, par. 2404)

8 Sec. 4. Definitions. As used in this Act:

9 (a) "Board" means the Illinois Gaming Board.

10 (b) "Occupational license" means a license issued by the  
11 Board to a person or entity to perform an occupation which the  
12 Board has identified as requiring a license to engage in  
13 riverboat gambling in Illinois.

14 (c) "Gambling game" includes, but is not limited to,  
15 baccarat, twenty-one, poker, craps, slot machine, video game of  
16 chance, roulette wheel, klondike table, punchboard, faro  
17 layout, keno layout, numbers ticket, push card, jar ticket, or  
18 pull tab which is authorized by the Board as a wagering device  
19 under this Act.

20 (d) "Riverboat" means a self-propelled excursion boat, a  
21 permanently moored barge, or permanently moored barges that are  
22 permanently fixed together to operate as one vessel, on which  
23 lawful gambling is authorized and licensed as provided in this

1 Act.

2 (e) "Managers license" means a license issued by the Board  
3 to a person or entity to manage gambling operations conducted  
4 by the State pursuant to Section 7.3.

5 (f) "Dock" means the location where a riverboat moors for  
6 the purpose of embarking passengers for and disembarking  
7 passengers from the riverboat.

8 (g) "Gross receipts" means the total amount of money  
9 exchanged for the purchase of chips, tokens or electronic cards  
10 by riverboat patrons.

11 (h) "Adjusted gross receipts" means the gross receipts less  
12 winnings paid to wagerers.

13 (i) "Cheat" means to alter the selection of criteria which  
14 determine the result of a gambling game or the amount or  
15 frequency of payment in a gambling game.

16 (j) "Department" means the Department of Revenue.

17 (k) "Gambling operation" means the conduct of authorized  
18 gambling games upon a riverboat.

19 (l) "License bid" means the lump sum amount of money that  
20 an applicant bids and agrees to pay the State in return for an  
21 owners license that is re-issued on or after July 1, 2003.

22 (m) The terms "minority person", ~~and~~ "female", and "person  
23 with a disability" shall have the same meaning as defined in  
24 Section 2 of the Business Enterprise for Minorities, Females,  
25 and Persons with Disabilities Act.

26 (Source: P.A. 95-331, eff. 8-21-07.)

1 (230 ILCS 10/6) (from Ch. 120, par. 2406)

2 Sec. 6. Application for Owners License.

3 (a) A qualified person may apply to the Board for an owners  
4 license to conduct a riverboat gambling operation as provided  
5 in this Act. The application shall be made on forms provided by  
6 the Board and shall contain such information as the Board  
7 prescribes, including but not limited to the identity of the  
8 riverboat on which such gambling operation is to be conducted  
9 and the exact location where such riverboat will be docked, a  
10 certification that the riverboat will be registered under this  
11 Act at all times during which gambling operations are conducted  
12 on board, detailed information regarding the ownership and  
13 management of the applicant, and detailed personal information  
14 regarding the applicant. Any application for an owners license  
15 to be re-issued on or after June 1, 2003 shall also include the  
16 applicant's license bid in a form prescribed by the Board.  
17 Information provided on the application shall be used as a  
18 basis for a thorough background investigation which the Board  
19 shall conduct with respect to each applicant. An incomplete  
20 application shall be cause for denial of a license by the  
21 Board.

22 (b) Applicants shall submit with their application all  
23 documents, resolutions, and letters of support from the  
24 governing body that represents the municipality or county  
25 wherein the licensee will dock.

1 (c) Each applicant shall disclose the identity of every  
2 person, association, trust or corporation having a greater than  
3 1% direct or indirect pecuniary interest in the riverboat  
4 gambling operation with respect to which the license is sought.  
5 If the disclosed entity is a trust, the application shall  
6 disclose the names and addresses of the beneficiaries; if a  
7 corporation, the names and addresses of all stockholders and  
8 directors; if a partnership, the names and addresses of all  
9 partners, both general and limited.

10 (d) An application shall be filed and considered in  
11 accordance with the rules of the Board ~~with the Board by~~  
12 ~~January 1 of the year preceding any calendar year for which an~~  
13 ~~applicant seeks an owners license; however, applications for an~~  
14 ~~owners license permitting operations on January 1, 1991 shall~~  
15 ~~be filed by July 1, 1990.~~ An application fee of \$50,000 shall  
16 be paid at the time of filing to defray the costs associated  
17 with the background investigation conducted by the Board. If  
18 the costs of the investigation exceed \$50,000, the applicant  
19 shall pay the additional amount to the Board. If the costs of  
20 the investigation are less than \$50,000, the applicant shall  
21 receive a refund of the remaining amount. All information,  
22 records, interviews, reports, statements, memoranda or other  
23 data supplied to or used by the Board in the course of its  
24 review or investigation of an application for a license under  
25 this Act shall be privileged, strictly confidential and shall  
26 be used only for the purpose of evaluating an applicant. Such

1 information, records, interviews, reports, statements,  
2 memoranda or other data shall not be admissible as evidence,  
3 nor discoverable in any action of any kind in any court or  
4 before any tribunal, board, agency or person, except for any  
5 action deemed necessary by the Board.

6 (e) The Board shall charge each applicant a fee set by the  
7 Department of State Police to defray the costs associated with  
8 the search and classification of fingerprints obtained by the  
9 Board with respect to the applicant's application. These fees  
10 shall be paid into the State Police Services Fund.

11 (f) The licensed owner shall be the person primarily  
12 responsible for the boat itself. Only one riverboat gambling  
13 operation may be authorized by the Board on any riverboat. The  
14 applicant must identify each riverboat it intends to use and  
15 certify that the riverboat: (1) has the authorized capacity  
16 required in this Act; (2) is accessible to disabled persons;  
17 and (3) is fully registered and licensed in accordance with any  
18 applicable laws.

19 (g) A person who knowingly makes a false statement on an  
20 application is guilty of a Class A misdemeanor.

21 (Source: P.A. 93-28, eff. 6-20-03.)

22 (230 ILCS 10/7) (from Ch. 120, par. 2407)

23 Sec. 7. Owners Licenses.

24 (a) The Board shall issue owners licenses to persons, firms  
25 or corporations which apply for such licenses upon payment to

1 the Board of the non-refundable license fee set by the Board,  
2 upon payment of a \$25,000 license fee for the first year of  
3 operation and a \$5,000 license fee for each succeeding year and  
4 upon a determination by the Board that the applicant is  
5 eligible for an owners license pursuant to this Act and the  
6 rules of the Board. For a period of 2 years beginning on the  
7 effective date of this amendatory Act of the 94th General  
8 Assembly, as a condition of licensure and as an alternative  
9 source of payment for those funds payable under subsection  
10 (c-5) of Section 13 of the Riverboat Gambling Act, any owners  
11 licensee that holds or receives its owners license on or after  
12 the effective date of this amendatory Act of the 94th General  
13 Assembly, other than an owners licensee operating a riverboat  
14 with adjusted gross receipts in calendar year 2004 of less than  
15 \$200,000,000, must pay into the Horse Racing Equity Trust Fund,  
16 in addition to any other payments required under this Act, an  
17 amount equal to 3% of the adjusted gross receipts received by  
18 the owners licensee. The payments required under this Section  
19 shall be made by the owners licensee to the State Treasurer no  
20 later than 3:00 o'clock p.m. of the day after the day when the  
21 adjusted gross receipts were received by the owners licensee. A  
22 person, firm or corporation is ineligible to receive an owners  
23 license if:

24 (1) the person has been convicted of a felony under the  
25 laws of this State, any other state, or the United States;

26 (2) the person has been convicted of any violation of

1 Article 28 of the Criminal Code of 1961, or substantially  
2 similar laws of any other jurisdiction;

3 (3) the person has submitted an application for a  
4 license under this Act which contains false information;

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

6 (5) a person defined in (1), (2), (3) or (4) is an  
7 officer, director or managerial employee of the firm or  
8 corporation;

9 (6) the firm or corporation employs a person defined in  
10 (1), (2), (3) or (4) who participates in the management or  
11 operation of gambling operations authorized under this  
12 Act;

13 (7) (blank); or

14 (8) a license of the person, firm or corporation issued  
15 under this Act, or a license to own or operate gambling  
16 facilities in any other jurisdiction, has been revoked.

17 (b) In determining whether to grant an owners license to an  
18 applicant, the Board shall consider:

19 (1) the character, reputation, experience and  
20 financial integrity of the applicants and of any other or  
21 separate person that either:

22 (A) controls, directly or indirectly, such  
23 applicant, or

24 (B) is controlled, directly or indirectly, by such  
25 applicant or by a person which controls, directly or  
26 indirectly, such applicant;



1           (2) the facilities or proposed facilities for the  
2           conduct of riverboat gambling;

3           (3) the highest prospective total revenue to be derived  
4           by the State from the conduct of riverboat gambling;

5           (4) the extent to which the ownership of the applicant  
6           reflects the diversity of the State by including minority  
7           persons, ~~and~~ females, and persons with a disability and the  
8           good faith affirmative action plan of each applicant to  
9           recruit, train and upgrade minority persons, ~~and~~ females,  
10          and persons with a disability in all employment  
11          classifications;

12          (5) the financial ability of the applicant to purchase  
13          and maintain adequate liability and casualty insurance;

14          (6) whether the applicant has adequate capitalization  
15          to provide and maintain, for the duration of a license, a  
16          riverboat;

17          (7) the extent to which the applicant exceeds or meets  
18          other standards for the issuance of an owners license which  
19          the Board may adopt by rule; and

20          (8) The amount of the applicant's license bid.

21          (c) Each owners license shall specify the place where  
22          riverboats shall operate and dock.

23          (d) Each applicant shall submit with his application, on  
24          forms provided by the Board, 2 sets of his fingerprints.

25          (e) The Board may issue up to 10 licenses authorizing the  
26          holders of such licenses to own riverboats. In the application

1 for an owners license, the applicant shall state the dock at  
2 which the riverboat is based and the water on which the  
3 riverboat will be located. The Board shall issue 5 licenses to  
4 become effective not earlier than January 1, 1991. Three of  
5 such licenses shall authorize riverboat gambling on the  
6 Mississippi River, or, with approval by the municipality in  
7 which the riverboat was docked on August 7, 2003 and with Board  
8 approval, be authorized to relocate to a new location, in a  
9 municipality that (1) borders on the Mississippi River or is  
10 within 5 miles of the city limits of a municipality that  
11 borders on the Mississippi River and (2), on August 7, 2003,  
12 had a riverboat conducting riverboat gambling operations  
13 pursuant to a license issued under this Act; one of which shall  
14 authorize riverboat gambling from a home dock in the city of  
15 East St. Louis. One other license shall authorize riverboat  
16 gambling on the Illinois River south of Marshall County. The  
17 Board shall issue one additional license to become effective  
18 not earlier than March 1, 1992, which shall authorize riverboat  
19 gambling on the Des Plaines River in Will County. The Board may  
20 issue 4 additional licenses to become effective not earlier  
21 than March 1, 1992. In determining the water upon which  
22 riverboats will operate, the Board shall consider the economic  
23 benefit which riverboat gambling confers on the State, and  
24 shall seek to assure that all regions of the State share in the  
25 economic benefits of riverboat gambling.

26 In granting all licenses, the Board may give favorable

1 consideration to economically depressed areas of the State, to  
2 applicants presenting plans which provide for significant  
3 economic development over a large geographic area, and to  
4 applicants who currently operate non-gambling riverboats in  
5 Illinois. The Board shall review all applications for owners  
6 licenses, and shall inform each applicant of the Board's  
7 decision. The Board may grant an owners license to an applicant  
8 that has not submitted the highest license bid, but if it does  
9 not select the highest bidder, the Board shall issue a written  
10 decision explaining why another applicant was selected and  
11 identifying the factors set forth in this Section that favored  
12 the winning bidder.

13 In addition to any other revocation powers granted to the  
14 Board under this Act, the Board may revoke the owners license  
15 of a licensee which fails to begin conducting gambling within  
16 15 months of receipt of the Board's approval of the application  
17 if the Board determines that license revocation is in the best  
18 interests of the State.

19 (f) The first 10 owners licenses issued under this Act  
20 shall permit the holder to own up to 2 riverboats and equipment  
21 thereon for a period of 3 years after the effective date of the  
22 license. Holders of the first 10 owners licenses must pay the  
23 annual license fee for each of the 3 years during which they  
24 are authorized to own riverboats.

25 (g) Upon the termination, expiration, or revocation of each  
26 of the first 10 licenses, which shall be issued for a 3 year

1 period, all licenses are renewable annually upon payment of the  
2 fee and a determination by the Board that the licensee  
3 continues to meet all of the requirements of this Act and the  
4 Board's rules. However, for licenses renewed on or after May 1,  
5 1998, renewal shall be for a period of 4 years, unless the  
6 Board sets a shorter period.

7 (h) An owners license shall entitle the licensee to own up  
8 to 2 riverboats. A licensee shall limit the number of gambling  
9 participants to 1,200 for any such owners license. A licensee  
10 may operate both of its riverboats concurrently, provided that  
11 the total number of gambling participants on both riverboats  
12 does not exceed 1,200. Riverboats licensed to operate on the  
13 Mississippi River and the Illinois River south of Marshall  
14 County shall have an authorized capacity of at least 500  
15 persons. Any other riverboat licensed under this Act shall have  
16 an authorized capacity of at least 400 persons.

17 (i) A licensed owner is authorized to apply to the Board  
18 for and, if approved therefor, to receive all licenses from the  
19 Board necessary for the operation of a riverboat, including a  
20 liquor license, a license to prepare and serve food for human  
21 consumption, and other necessary licenses. All use, occupation  
22 and excise taxes which apply to the sale of food and beverages  
23 in this State and all taxes imposed on the sale or use of  
24 tangible personal property apply to such sales aboard the  
25 riverboat.

26 (j) The Board may issue or re-issue a license authorizing a

1 riverboat to dock in a municipality or approve a relocation  
2 under Section 11.2 only if, prior to the issuance or  
3 re-issuance of the license or approval, the governing body of  
4 the municipality in which the riverboat will dock has by a  
5 majority vote approved the docking of riverboats in the  
6 municipality. The Board may issue or re-issue a license  
7 authorizing a riverboat to dock in areas of a county outside  
8 any municipality or approve a relocation under Section 11.2  
9 only if, prior to the issuance or re-issuance of the license or  
10 approval, the governing body of the county has by a majority  
11 vote approved of the docking of riverboats within such areas.

12 (Source: P.A. 93-28, eff. 6-20-03; 93-453, eff. 8-7-03; 94-667,  
13 eff. 8-23-05; 94-804, eff. 5-26-06.)

14 (230 ILCS 10/9) (from Ch. 120, par. 2409)

15 Sec. 9. Occupational licenses.

16 (a) The Board may issue an occupational license to an  
17 applicant upon the payment of a non-refundable fee set by the  
18 Board, upon a determination by the Board that the applicant is  
19 eligible for an occupational license and upon payment of an  
20 annual license fee in an amount to be established. To be  
21 eligible for an occupational license, an applicant must:

22 (1) be at least 21 years of age if the applicant will  
23 perform any function involved in gaming by patrons. Any  
24 applicant seeking an occupational license for a non-gaming  
25 function shall be at least 18 years of age;

1           (2) not have been convicted of a felony offense, a  
2 violation of Article 28 of the Criminal Code of 1961, or a  
3 similar statute of any other jurisdiction, ~~or a crime~~  
4 ~~involving dishonesty or moral turpitude;~~

5           (2.5) not have been convicted of a crime, other than a  
6 crime described in item (2) of this subsection (a),  
7 involving dishonesty or moral turpitude, except that the  
8 Board may, in its discretion, issue an occupational license  
9 to a person who has been convicted of a crime described in  
10 this item (2.5) more than 10 years prior to his or her  
11 application and has not subsequently been convicted of any  
12 other crime;

13           (3) have demonstrated a level of skill or knowledge  
14 which the Board determines to be necessary in order to  
15 operate gambling aboard a riverboat; and

16           (4) have met standards for the holding of an  
17 occupational license as adopted by rules of the Board. Such  
18 rules shall provide that any person or entity seeking an  
19 occupational license to manage gambling operations  
20 hereunder shall be subject to background inquiries and  
21 further requirements similar to those required of  
22 applicants for an owners license. Furthermore, such rules  
23 shall provide that each such entity shall be permitted to  
24 manage gambling operations for only one licensed owner.

25           (b) Each application for an occupational license shall be  
26 on forms prescribed by the Board and shall contain all

1 information required by the Board. The applicant shall set  
2 forth in the application: whether he has been issued prior  
3 gambling related licenses; whether he has been licensed in any  
4 other state under any other name, and, if so, such name and his  
5 age; and whether or not a permit or license issued to him in  
6 any other state has been suspended, restricted or revoked, and,  
7 if so, for what period of time.

8 (c) Each applicant shall submit with his application, on  
9 forms provided by the Board, 2 sets of his fingerprints. The  
10 Board shall charge each applicant a fee set by the Department  
11 of State Police to defray the costs associated with the search  
12 and classification of fingerprints obtained by the Board with  
13 respect to the applicant's application. These fees shall be  
14 paid into the State Police Services Fund.

15 (d) The Board may in its discretion refuse an occupational  
16 license to any person: (1) who is unqualified to perform the  
17 duties required of such applicant; (2) who fails to disclose or  
18 states falsely any information called for in the application;  
19 (3) who has been found guilty of a violation of this Act or  
20 whose prior gambling related license or application therefor  
21 has been suspended, restricted, revoked or denied for just  
22 cause in any other state; or (4) for any other just cause.

23 (e) The Board may suspend, revoke or restrict any  
24 occupational licensee: (1) for violation of any provision of  
25 this Act; (2) for violation of any of the rules and regulations  
26 of the Board; (3) for any cause which, if known to the Board,

1 would have disqualified the applicant from receiving such  
2 license; or (4) for default in the payment of any obligation or  
3 debt due to the State of Illinois; or (5) for any other just  
4 cause.

5 (f) A person who knowingly makes a false statement on an  
6 application is guilty of a Class A misdemeanor.

7 (g) Any license issued pursuant to this Section shall be  
8 valid for a period of one year from the date of issuance.

9 (h) Nothing in this Act shall be interpreted to prohibit a  
10 licensed owner from entering into an agreement with a public  
11 community college or a school approved under the Private  
12 Business and Vocational Schools Act for the training of any  
13 occupational licensee. Any training offered by such a school  
14 shall be in accordance with a written agreement between the  
15 licensed owner and the school.

16 (i) Any training provided for occupational licensees may be  
17 conducted either on the riverboat or at a school with which a  
18 licensed owner has entered into an agreement pursuant to  
19 subsection (h).

20 (Source: P.A. 86-1029; 87-826.)

21 (230 ILCS 10/11) (from Ch. 120, par. 2411)

22 Sec. 11. Conduct of gambling. Gambling may be conducted by  
23 licensed owners or licensed managers on behalf of the State  
24 aboard riverboats, subject to the following standards:

25 (1) A licensee may conduct riverboat gambling



1 authorized under this Act regardless of whether it conducts  
2 excursion cruises. A licensee may permit the continuous  
3 ingress and egress of passengers on a riverboat not used  
4 for excursion cruises for the purpose of gambling.  
5 Excursion cruises shall not exceed 4 hours for a round  
6 trip. However, the Board may grant express approval for an  
7 extended cruise on a case-by-case basis.

8 (2) (Blank).

9 (3) Minimum and maximum wagers on games shall be set by  
10 the licensee.

11 (4) Agents of the Board and the Department of State  
12 Police may board and inspect any riverboat at any time for  
13 the purpose of determining whether this Act is being  
14 complied with. Every riverboat, if under way and being  
15 hailed by a law enforcement officer or agent of the Board,  
16 must stop immediately and lay to.

17 (5) Employees of the Board shall have the right to be  
18 present on the riverboat or on adjacent facilities under  
19 the control of the licensee.

20 (6) Gambling equipment and supplies customarily used  
21 in conducting riverboat gambling must be purchased or  
22 leased only from suppliers licensed for such purpose under  
23 this Act. However, the Board may approve the sale or lease  
24 of gambling equipment and supplies by a licensed owner and  
25 a licensed owner may bring gambling equipment and supplies  
26 that it has legally acquired into this State for use in

1 Illinois with the approval of the Board.

2 (7) Persons licensed under this Act shall permit no  
3 form of wagering on gambling games except as permitted by  
4 this Act.

5 (8) Wagers may be received only from a person present  
6 on a licensed riverboat. No person present on a licensed  
7 riverboat shall place or attempt to place a wager on behalf  
8 of another person who is not present on the riverboat.

9 (9) Wagering shall not be conducted with money or other  
10 negotiable currency.

11 (10) A person under age 21 shall not be permitted on an  
12 area of a riverboat where gambling is being conducted,  
13 except for a person at least 18 years of age who is an  
14 employee of the riverboat gambling operation. No employee  
15 under age 21 shall perform any function involved in  
16 gambling by the patrons. No person under age 21 shall be  
17 permitted to make a wager under this Act, and any winnings  
18 that are a result of a wager by a person under age 21,  
19 whether or not paid by a licensee, shall be treated as  
20 winnings for the privilege tax purposes, confiscated, and  
21 forfeited to the State and deposited into the Education  
22 Assistance Fund.

23 (11) Gambling excursion cruises are permitted only  
24 when the waterway for which the riverboat is licensed is  
25 navigable, as determined by the Board in consultation with  
26 the U.S. Army Corps of Engineers. This paragraph (11) does

1 not limit the ability of a licensee to conduct gambling  
2 authorized under this Act when gambling excursion cruises  
3 are not permitted.

4 (12) All tokens, chips or electronic cards used to make  
5 wagers must be purchased from a licensed owner or manager  
6 either aboard a riverboat or at an onshore facility which  
7 has been approved by the Board and which is located where  
8 the riverboat docks. The tokens, chips or electronic cards  
9 may be purchased by means of an agreement under which the  
10 owner or manager extends credit to the patron. Such tokens,  
11 chips or electronic cards may be used while aboard the  
12 riverboat only for the purpose of making wagers on gambling  
13 games.

14 (13) Notwithstanding any other Section of this Act, in  
15 addition to the other licenses authorized under this Act,  
16 the Board may issue special event licenses allowing persons  
17 who are not otherwise licensed to conduct riverboat  
18 gambling to conduct such gambling on a specified date or  
19 series of dates. Riverboat gambling under such a license  
20 may take place on a riverboat not normally used for  
21 riverboat gambling. The Board shall establish standards,  
22 fees and fines for, and limitations upon, such licenses,  
23 which may differ from the standards, fees, fines and  
24 limitations otherwise applicable under this Act. All such  
25 fees shall be deposited into the State Gaming Fund. All  
26 such fines shall be deposited into the Education Assistance

1 Fund, created by Public Act 86-0018, of the State of  
2 Illinois.

3 (14) In addition to the above, gambling must be  
4 conducted in accordance with all rules adopted by the  
5 Board.

6 (Source: P.A. 93-28, eff. 6-20-03.)

7 (230 ILCS 10/12) (from Ch. 120, par. 2412)

8 Sec. 12. Admission tax; fees.

9 (a) A tax is hereby imposed upon admissions to riverboats  
10 operated by licensed owners authorized pursuant to this Act.  
11 Until July 1, 2002, the rate is \$2 per person admitted. From  
12 July 1, 2002 until July 1, 2003, the rate is \$3 per person  
13 admitted. From July 1, 2003 until August 23, 2005 (the  
14 effective date of Public Act 94-673) ~~this amendatory Act of the~~  
15 ~~94th General Assembly~~, for a licensee that admitted 1,000,000  
16 persons or fewer in the previous calendar year, the rate is \$3  
17 per person admitted; for a licensee that admitted more than  
18 1,000,000 but no more than 2,300,000 persons in the previous  
19 calendar year, the rate is \$4 per person admitted; and for a  
20 licensee that admitted more than 2,300,000 persons in the  
21 previous calendar year, the rate is \$5 per person admitted.  
22 From August 23, 2005 ~~(Beginning on~~ the effective date of Public  
23 Act 94-673) until the effective date of this amendatory Act of  
24 the 96th General Assembly ~~this amendatory Act of the 94th~~  
25 ~~General Assembly~~, for a licensee that admitted 1,000,000

1 persons or fewer in calendar year 2004, the rate is \$2 per  
2 person admitted, and for all other licensees the rate is \$3 per  
3 person admitted. Beginning on the effective date of this  
4 amendatory Act of the 96th General Assembly, the rate is \$3 per  
5 person admitted for all owners licensees. This admission tax is  
6 imposed upon the licensed owner conducting gambling.

7 (1) The admission tax shall be paid for each admission,  
8 except that a person who exits a riverboat gambling  
9 facility and reenters that riverboat gambling facility  
10 within the same gaming day shall be subject only to the  
11 initial admission tax.

12 (2) (Blank).

13 (3) The riverboat licensee may issue tax-free passes to  
14 actual and necessary officials and employees of the  
15 licensee or other persons actually working on the  
16 riverboat.

17 (4) The number and issuance of tax-free passes is  
18 subject to the rules of the Board, and a list of all  
19 persons to whom the tax-free passes are issued shall be  
20 filed with the Board.

21 (a-5) A fee is hereby imposed upon admissions operated by  
22 licensed managers on behalf of the State pursuant to Section  
23 7.3 at the rates provided in this subsection (a-5). For a  
24 licensee that admitted 1,000,000 persons or fewer in the  
25 previous calendar year, the rate is \$3 per person admitted; for  
26 a licensee that admitted more than 1,000,000 but no more than

1 2,300,000 persons in the previous calendar year, the rate is \$4  
2 per person admitted; and for a licensee that admitted more than  
3 2,300,000 persons in the previous calendar year, the rate is \$5  
4 per person admitted.

5 (1) The admission fee shall be paid for each admission.

6 (2) (Blank).

7 (3) The licensed manager may issue fee-free passes to  
8 actual and necessary officials and employees of the manager  
9 or other persons actually working on the riverboat.

10 (4) The number and issuance of fee-free passes is  
11 subject to the rules of the Board, and a list of all  
12 persons to whom the fee-free passes are issued shall be  
13 filed with the Board.

14 (b) From the tax imposed under subsection (a) and the fee  
15 imposed under subsection (a-5), a municipality shall receive  
16 from the State \$1 for each person embarking on a riverboat  
17 docked within the municipality, and a county shall receive \$1  
18 for each person embarking on a riverboat docked within the  
19 county but outside the boundaries of any municipality. The  
20 municipality's or county's share shall be collected by the  
21 Board on behalf of the State and remitted quarterly by the  
22 State, subject to appropriation, to the treasurer of the unit  
23 of local government for deposit in the general fund.

24 (c) The licensed owner shall pay the entire admission tax  
25 to the Board and the licensed manager shall pay the entire  
26 admission fee to the Board. Such payments shall be made daily.

1 Accompanying each payment shall be a return on forms provided  
2 by the Board which shall include other information regarding  
3 admissions as the Board may require. Failure to submit either  
4 the payment or the return within the specified time may result  
5 in suspension or revocation of the owners or managers license.

6 (d) The Board shall administer and collect the admission  
7 tax imposed by this Section, to the extent practicable, in a  
8 manner consistent with the provisions of Sections 4, 5, 5a, 5b,  
9 5c, 5d, 5e, 5f, 5g, 5i, 5j, 6, 6a, 6b, 6c, 8, 9 and 10 of the  
10 Retailers' Occupation Tax Act and Section 3-7 of the Uniform  
11 Penalty and Interest Act.

12 (Source: P.A. 94-673, eff. 8-23-05; 95-663, eff. 10-11-07.)

13 (230 ILCS 10/13) (from Ch. 120, par. 2413)

14 Sec. 13. Wagering tax; rate; distribution.

15 (a) Until January 1, 1998, a tax is imposed on the adjusted  
16 gross receipts received from gambling games authorized under  
17 this Act at the rate of 20%.

18 (a-1) From January 1, 1998 until July 1, 2002, a privilege  
19 tax is imposed on persons engaged in the business of conducting  
20 riverboat gambling operations, based on the adjusted gross  
21 receipts received by a licensed owner from gambling games  
22 authorized under this Act at the following rates:

23 15% of annual adjusted gross receipts up to and  
24 including \$25,000,000;

25 20% of annual adjusted gross receipts in excess of

1           \$25,000,000 but not exceeding \$50,000,000;  
2           25% of annual adjusted gross receipts in excess of  
3           \$50,000,000 but not exceeding \$75,000,000;  
4           30% of annual adjusted gross receipts in excess of  
5           \$75,000,000 but not exceeding \$100,000,000;  
6           35% of annual adjusted gross receipts in excess of  
7           \$100,000,000.

8           (a-2) From July 1, 2002 until July 1, 2003, a privilege tax  
9           is imposed on persons engaged in the business of conducting  
10          riverboat gambling operations, other than licensed managers  
11          conducting riverboat gambling operations on behalf of the  
12          State, based on the adjusted gross receipts received by a  
13          licensed owner from gambling games authorized under this Act at  
14          the following rates:

15           15% of annual adjusted gross receipts up to and  
16           including \$25,000,000;  
17           22.5% of annual adjusted gross receipts in excess of  
18           \$25,000,000 but not exceeding \$50,000,000;  
19           27.5% of annual adjusted gross receipts in excess of  
20           \$50,000,000 but not exceeding \$75,000,000;  
21           32.5% of annual adjusted gross receipts in excess of  
22           \$75,000,000 but not exceeding \$100,000,000;  
23           37.5% of annual adjusted gross receipts in excess of  
24           \$100,000,000 but not exceeding \$150,000,000;  
25           45% of annual adjusted gross receipts in excess of  
26           \$150,000,000 but not exceeding \$200,000,000;



1           50% of annual adjusted gross receipts in excess of  
2           \$200,000,000.

3           (a-3) Beginning July 1, 2003, a privilege tax is imposed on  
4 persons engaged in the business of conducting riverboat  
5 gambling operations, other than licensed managers conducting  
6 riverboat gambling operations on behalf of the State, based on  
7 the adjusted gross receipts received by a licensed owner from  
8 gambling games authorized under this Act at the following  
9 rates:

10           15% of annual adjusted gross receipts up to and  
11 including \$25,000,000;

12           27.5% of annual adjusted gross receipts in excess of  
13 \$25,000,000 but not exceeding \$37,500,000;

14           32.5% of annual adjusted gross receipts in excess of  
15 \$37,500,000 but not exceeding \$50,000,000;

16           37.5% of annual adjusted gross receipts in excess of  
17 \$50,000,000 but not exceeding \$75,000,000;

18           45% of annual adjusted gross receipts in excess of  
19 \$75,000,000 but not exceeding \$100,000,000;

20           50% of annual adjusted gross receipts in excess of  
21 \$100,000,000 but not exceeding \$250,000,000;

22           70% of annual adjusted gross receipts in excess of  
23 \$250,000,000.

24           An amount equal to the amount of wagering taxes collected  
25 under this subsection (a-3) that are in addition to the amount  
26 of wagering taxes that would have been collected if the

1     wagering tax rates under subsection (a-2) were in effect shall  
2     be paid into the Common School Fund.

3             The privilege tax imposed under this subsection (a-3) shall  
4     no longer be imposed beginning on the earlier of (i) July 1,  
5     2005; (ii) the first date after June 20, 2003 that riverboat  
6     gambling operations are conducted pursuant to a dormant  
7     license; or (iii) the first day that riverboat gambling  
8     operations are conducted under the authority of an owners  
9     license that is in addition to the 10 owners licenses initially  
10    authorized under this Act. For the purposes of this subsection  
11    (a-3), the term "dormant license" means an owners license that  
12    is authorized by this Act under which no riverboat gambling  
13    operations are being conducted on June 20, 2003.

14            (a-4) Beginning on the first day on which the tax imposed  
15    under subsection (a-3) is no longer imposed, a privilege tax is  
16    imposed on persons engaged in the business of conducting  
17    riverboat gambling operations, other than licensed managers  
18    conducting riverboat gambling operations on behalf of the  
19    State, based on the adjusted gross receipts received by a  
20    licensed owner from gambling games authorized under this Act at  
21    the following rates:

22                15% of annual adjusted gross receipts up to and  
23                including \$25,000,000;

24                22.5% of annual adjusted gross receipts in excess of  
25                \$25,000,000 but not exceeding \$50,000,000;

26                27.5% of annual adjusted gross receipts in excess of

1           \$50,000,000 but not exceeding \$75,000,000;  
2           32.5% of annual adjusted gross receipts in excess of  
3           \$75,000,000 but not exceeding \$100,000,000;  
4           37.5% of annual adjusted gross receipts in excess of  
5           \$100,000,000 but not exceeding \$150,000,000;  
6           45% of annual adjusted gross receipts in excess of  
7           \$150,000,000 but not exceeding \$200,000,000;  
8           50% of annual adjusted gross receipts in excess of  
9           \$200,000,000.

10          (a-8) Riverboat gambling operations conducted by a  
11 licensed manager on behalf of the State are not subject to the  
12 tax imposed under this Section.

13          (a-10) The taxes imposed by this Section shall be paid by  
14 the licensed owner to the Board not later than 5:00 ~~3:00~~  
15 o'clock p.m. of the day after the day when the wagers were  
16 made.

17          (a-15) If the privilege tax imposed under subsection (a-3)  
18 is no longer imposed pursuant to item (i) of the last paragraph  
19 of subsection (a-3), then by June 15 of each year, each owners  
20 licensee, other than an owners licensee that admitted 1,000,000  
21 persons or fewer in calendar year 2004, must, in addition to  
22 the payment of all amounts otherwise due under this Section,  
23 pay to the Board a reconciliation payment in the amount, if  
24 any, by which the licensed owner's base amount exceeds the  
25 amount of net privilege tax paid by the licensed owner to the  
26 Board in the then current State fiscal year. A licensed owner's

1 net privilege tax obligation due for the balance of the State  
2 fiscal year shall be reduced up to the total of the amount paid  
3 by the licensed owner in its June 15 reconciliation payment.  
4 The obligation imposed by this subsection (a-15) is binding on  
5 any person, firm, corporation, or other entity that acquires an  
6 ownership interest in any such owners license. The obligation  
7 imposed under this subsection (a-15) terminates on the earliest  
8 of: (i) July 1, 2007, (ii) the first day after the effective  
9 date of this amendatory Act of the 94th General Assembly that  
10 riverboat gambling operations are conducted pursuant to a  
11 dormant license, (iii) the first day that riverboat gambling  
12 operations are conducted under the authority of an owners  
13 license that is in addition to the 10 owners licenses initially  
14 authorized under this Act, or (iv) the first day that a  
15 licensee under the Illinois Horse Racing Act of 1975 conducts  
16 gaming operations with slot machines or other electronic gaming  
17 devices. The Board must reduce the obligation imposed under  
18 this subsection (a-15) by an amount the Board deems reasonable  
19 for any of the following reasons: (A) an act or acts of God,  
20 (B) an act of bioterrorism or terrorism or a bioterrorism or  
21 terrorism threat that was investigated by a law enforcement  
22 agency, or (C) a condition beyond the control of the owners  
23 licensee that does not result from any act or omission by the  
24 owners licensee or any of its agents and that poses a hazardous  
25 threat to the health and safety of patrons. If an owners  
26 licensee pays an amount in excess of its liability under this

1 Section, the Board shall apply the overpayment to future  
2 payments required under this Section.

3 For purposes of this subsection (a-15):

4 "Act of God" means an incident caused by the operation of  
5 an extraordinary force that cannot be foreseen, that cannot be  
6 avoided by the exercise of due care, and for which no person  
7 can be held liable.

8 "Base amount" means the following:

9 For a riverboat in Alton, \$31,000,000.

10 For a riverboat in East Peoria, \$43,000,000.

11 For the Empress riverboat in Joliet, \$86,000,000.

12 For a riverboat in Metropolis, \$45,000,000.

13 For the Harrah's riverboat in Joliet, \$114,000,000.

14 For a riverboat in Aurora, \$86,000,000.

15 For a riverboat in East St. Louis, \$48,500,000.

16 For a riverboat in Elgin, \$198,000,000.

17 "Dormant license" has the meaning ascribed to it in  
18 subsection (a-3).

19 "Net privilege tax" means all privilege taxes paid by a  
20 licensed owner to the Board under this Section, less all  
21 payments made from the State Gaming Fund pursuant to subsection  
22 (b) of this Section.

23 The changes made to this subsection (a-15) by Public Act  
24 94-839 are intended to restate and clarify the intent of Public  
25 Act 94-673 with respect to the amount of the payments required  
26 to be made under this subsection by an owners licensee to the

1 Board.

2 (b) Until January 1, 1998, 25% of the tax revenue deposited  
3 in the State Gaming Fund under this Section shall be paid,  
4 subject to appropriation by the General Assembly, to the unit  
5 of local government which is designated as the home dock of the  
6 riverboat. Beginning January 1, 1998, from the tax revenue  
7 deposited in the State Gaming Fund under this Section, an  
8 amount equal to 5% of adjusted gross receipts generated by a  
9 riverboat shall be paid monthly, subject to appropriation by  
10 the General Assembly, to the unit of local government that is  
11 designated as the home dock of the riverboat. From the tax  
12 revenue deposited in the State Gaming Fund pursuant to  
13 riverboat gambling operations conducted by a licensed manager  
14 on behalf of the State, an amount equal to 5% of adjusted gross  
15 receipts generated pursuant to those riverboat gambling  
16 operations shall be paid monthly, subject to appropriation by  
17 the General Assembly, to the unit of local government that is  
18 designated as the home dock of the riverboat upon which those  
19 riverboat gambling operations are conducted.

20 (c) Appropriations, as approved by the General Assembly,  
21 may be made from the State Gaming Fund to the Department of  
22 Revenue and the Department of State Police for the  
23 administration and enforcement of this Act, or to the  
24 Department of Human Services for the administration of programs  
25 to treat problem gambling.

26 (c-5) Before May 26, 2006 (the effective date of Public Act

1 94-804) and beginning 2 years after May 26, 2006 (the effective  
2 date of Public Act 94-804), after the payments required under  
3 subsections (b) and (c) have been made, an amount equal to 15%  
4 of the adjusted gross receipts of (1) an owners licensee that  
5 relocates pursuant to Section 11.2, (2) an owners licensee  
6 conducting riverboat gambling operations pursuant to an owners  
7 license that is initially issued after June 25, 1999, or (3)  
8 the first riverboat gambling operations conducted by a licensed  
9 manager on behalf of the State under Section 7.3, whichever  
10 comes first, shall be paid from the State Gaming Fund into the  
11 Horse Racing Equity Fund.

12 (c-10) Each year the General Assembly shall appropriate  
13 from the General Revenue Fund to the Education Assistance Fund  
14 an amount equal to the amount paid into the Horse Racing Equity  
15 Fund pursuant to subsection (c-5) in the prior calendar year.

16 (c-15) After the payments required under subsections (b),  
17 (c), and (c-5) have been made, an amount equal to 2% of the  
18 adjusted gross receipts of (1) an owners licensee that  
19 relocates pursuant to Section 11.2, (2) an owners licensee  
20 conducting riverboat gambling operations pursuant to an owners  
21 license that is initially issued after June 25, 1999, or (3)  
22 the first riverboat gambling operations conducted by a licensed  
23 manager on behalf of the State under Section 7.3, whichever  
24 comes first, shall be paid, subject to appropriation from the  
25 General Assembly, from the State Gaming Fund to each home rule  
26 county with a population of over 3,000,000 inhabitants for the

1 purpose of enhancing the county's criminal justice system.

2 (c-20) Each year the General Assembly shall appropriate  
3 from the General Revenue Fund to the Education Assistance Fund  
4 an amount equal to the amount paid to each home rule county  
5 with a population of over 3,000,000 inhabitants pursuant to  
6 subsection (c-15) in the prior calendar year.

7 (c-25) After the payments required under subsections (b),  
8 (c), (c-5) and (c-15) have been made, an amount equal to 2% of  
9 the adjusted gross receipts of (1) an owners licensee that  
10 relocates pursuant to Section 11.2, (2) an owners licensee  
11 conducting riverboat gambling operations pursuant to an owners  
12 license that is initially issued after June 25, 1999, or (3)  
13 the first riverboat gambling operations conducted by a licensed  
14 manager on behalf of the State under Section 7.3, whichever  
15 comes first, shall be paid from the State Gaming Fund to  
16 Chicago State University.

17 (d) From time to time, the Board shall transfer the  
18 remainder of the funds generated by this Act into the Education  
19 Assistance Fund, created by Public Act 86-0018, of the State of  
20 Illinois.

21 (e) Nothing in this Act shall prohibit the unit of local  
22 government designated as the home dock of the riverboat from  
23 entering into agreements with other units of local government  
24 in this State or in other states to share its portion of the  
25 tax revenue.

26 (f) To the extent practicable, the Board shall administer



1 and collect the wagering taxes imposed by this Section in a  
2 manner consistent with the provisions of Sections 4, 5, 5a, 5b,  
3 5c, 5d, 5e, 5f, 5g, 5i, 5j, 6, 6a, 6b, 6c, 8, 9, and 10 of the  
4 Retailers' Occupation Tax Act and Section 3-7 of the Uniform  
5 Penalty and Interest Act.

6 (Source: P.A. 94-673, eff. 8-23-05; 94-804, eff. 5-26-06;  
7 94-839, eff. 6-6-06; 95-331, eff. 8-21-07.)

8 (230 ILCS 10/15) (from Ch. 120, par. 2415)

9 Sec. 15. Audit of Licensee Operations. ~~Annually Within 90~~  
10 ~~days after the end of each quarter of each fiscal year,~~ the  
11 licensed owner or manager shall transmit to the Board an audit  
12 of the financial transactions and condition of the licensee's  
13 total operations. Additionally, within 90 days after the end of  
14 each quarter of each fiscal year, the licensed owner or manager  
15 shall transmit to the Board a compliance report on engagement  
16 procedures determined by the Board. All audits and compliance  
17 engagements shall be conducted by certified public accountants  
18 selected by the Board. Each certified public accountant must be  
19 registered in the State of Illinois under the Illinois Public  
20 Accounting Act. The compensation for each certified public  
21 accountant shall be paid directly by the licensed owner or  
22 manager to the certified public accountant.

23 (Source: P.A. 93-28, eff. 6-20-03.)

24 (230 ILCS 10/18) (from Ch. 120, par. 2418)

1           Sec. 18. Prohibited Activities - Penalty.

2           (a) A person is guilty of a Class A misdemeanor for doing  
3 any of the following:

4                 (1) Conducting gambling where wagering is used or to be  
5 used without a license issued by the Board.

6                 (2) Conducting gambling where wagering is permitted  
7 other than in the manner specified by Section 11.

8           (b) A person is guilty of a Class B misdemeanor for doing  
9 any of the following:

10                 (1) permitting a person under 21 years to make a wager;

11                 or

12                 (2) violating paragraph (12) of subsection (a) of  
13 Section 11 of this Act.

14           (c) A person wagering or accepting a wager at any location  
15 outside the riverboat is subject to the penalties in paragraphs  
16 (1) or (2) of subsection (a) of Section 28-1 of the Criminal  
17 Code of 1961.

18           (d) A person commits a Class 4 felony and, in addition,  
19 shall be barred for life from riverboats under the jurisdiction  
20 of the Board, if the person does any of the following:

21                 (1) Offers, promises, or gives anything of value or  
22 benefit to a person who is connected with a riverboat owner  
23 including, but not limited to, an officer or employee of a  
24 licensed owner or holder of an occupational license  
25 pursuant to an agreement or arrangement or with the intent  
26 that the promise or thing of value or benefit will

1 influence the actions of the person to whom the offer,  
2 promise, or gift was made in order to affect or attempt to  
3 affect the outcome of a gambling game, or to influence  
4 official action of a member of the Board.

5 (2) Solicits or knowingly accepts or receives a promise  
6 of anything of value or benefit while the person is  
7 connected with a riverboat including, but not limited to,  
8 an officer or employee of a licensed owner, or holder of an  
9 occupational license, pursuant to an understanding or  
10 arrangement or with the intent that the promise or thing of  
11 value or benefit will influence the actions of the person  
12 to affect or attempt to affect the outcome of a gambling  
13 game, or to influence official action of a member of the  
14 Board.

15 (3) Uses or possesses with the intent to use a device  
16 to assist:

17 (i) In projecting the outcome of the game.

18 (ii) In keeping track of the cards played.

19 (iii) In analyzing the probability of the  
20 occurrence of an event relating to the gambling game.

21 (iv) In analyzing the strategy for playing or  
22 betting to be used in the game except as permitted by  
23 the Board.

24 (4) Cheats at a gambling game.

25 (5) Manufactures, sells, or distributes any cards,  
26 chips, dice, game or device which is intended to be used to

1 violate any provision of this Act.

2 (6) Alters or misrepresents the outcome of a gambling  
3 game on which wagers have been made after the outcome is  
4 made sure but before it is revealed to the players.

5 (7) Places a bet after acquiring knowledge, not  
6 available to all players, of the outcome of the gambling  
7 game which is subject of the bet or to aid a person in  
8 acquiring the knowledge for the purpose of placing a bet  
9 contingent on that outcome.

10 (8) Claims, collects, or takes, or attempts to claim,  
11 collect, or take, money or anything of value in or from the  
12 gambling games, with intent to defraud, without having made  
13 a wager contingent on winning a gambling game, or claims,  
14 collects, or takes an amount of money or thing of value of  
15 greater value than the amount won.

16 (9) Uses counterfeit chips or tokens in a gambling  
17 game.

18 (10) Possesses any key or device designed for the  
19 purpose of opening, entering, or affecting the operation of  
20 a gambling game, drop box, or an electronic or mechanical  
21 device connected with the gambling game or for removing  
22 coins, tokens, chips or other contents of a gambling game.  
23 This paragraph (10) does not apply to a gambling licensee  
24 or employee of a gambling licensee acting in furtherance of  
25 the employee's employment.

26 (e) The possession of more than one of the devices

1 described in subsection (d), paragraphs (3), (5), 7 or (10)  
2 permits a rebuttable presumption that the possessor intended to  
3 use the devices for cheating.

4 (f) A person under the age of 21 who, except as authorized  
5 under paragraph (10) of Section 11, enters upon a riverboat  
6 commits a petty offense and is subject to a fine of not less  
7 than \$100 or more than \$250 for a first offense and of not less  
8 than \$200 or more than \$500 for a second or subsequent offense.

9 An action to prosecute any crime occurring on a riverboat  
10 shall be tried in the county of the dock at which the riverboat  
11 is based.

12 (Source: P.A. 91-40, eff. 6-25-99.)

13 Section 99. Effective date. This Act takes effect upon  
14 becoming law.

1		INDEX
2		Statutes amended in order of appearance
3	230 ILCS 10/4	from Ch. 120, par. 2404
4	230 ILCS 10/6	from Ch. 120, par. 2406
5	230 ILCS 10/7	from Ch. 120, par. 2407
6	230 ILCS 10/9	from Ch. 120, par. 2409
7	230 ILCS 10/11	from Ch. 120, par. 2411
8	230 ILCS 10/12	from Ch. 120, par. 2412
9	230 ILCS 10/13	from Ch. 120, par. 2413
10	230 ILCS 10/15	from Ch. 120, par. 2415
11	230 ILCS 10/18	from Ch. 120, par. 2418