



## 97TH GENERAL ASSEMBLY

### State of Illinois

2011 and 2012

HB5707

Introduced 2/16/2012, by Rep. La Shawn K. Ford

#### SYNOPSIS AS INTRODUCED:

20 ILCS 1605/19	from Ch. 120, par. 1169
20 ILCS 1605/20	from Ch. 120, par. 1170
20 ILCS 1605/20.1	from Ch. 120, par. 1170.1
20 ILCS 1605/20.3 new	

Amends the Illinois Lottery Law. Creates the Lottery Supports Schools Fund. Provides that certain lottery revenues shall be deposited into the Fund. Provides that moneys in the fund shall be distributed to school districts based on the district's percentage of lottery sales. Effective immediately.

LRB097 16000 AMC 61151 b

FISCAL NOTE ACT  
MAY APPLY

A BILL FOR

1 AN ACT concerning State government.

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

4 Section 5. The Illinois Lottery Law is amended by changing  
5 Sections 19, 20, and 20.1 and by adding Section 20.3 as  
6 follows:

7 (20 ILCS 1605/19) (from Ch. 120, par. 1169)

8 Sec. 19. The Department shall establish an appropriate  
9 period for the claiming of prizes for each lottery game  
10 offered. Each claim period shall be stated in game rules and  
11 written play instructions issued by the Superintendent in  
12 accordance with Section 7.1 of this Act. Written play  
13 instructions shall be made available to all players through  
14 sales agents licensed to sell game tickets or shares. Prizes  
15 for lottery games which involve the purchase of a physical  
16 lottery ticket may be claimed only by presentation of a valid  
17 winning lottery ticket that matches validation records on file  
18 with the Lottery; no claim may be honored which is based on the  
19 assertion that the ticket was lost or stolen. No lottery ticket  
20 which has been altered, mutilated, or fails to pass validation  
21 tests shall be deemed to be a winning ticket.

22 If no claim is made for the money within the established  
23 claim period, the prize may be included in the prize pool of

1 such special drawing or drawings as the Department may, from  
2 time to time, designate. Unclaimed multi-state game prize money  
3 may be included in the multi-state prize pool for such special  
4 drawing or drawings as the multi-state game directors may, from  
5 time to time, designate. Any bonuses offered by the Department  
6 to sales agents who sell winning tickets or shares shall be  
7 payable to such agents regardless of whether or not the prize  
8 money on the ticket or share is claimed, provided that the  
9 agent can be identified as the vendor of the winning ticket or  
10 share, and that the winning ticket or share was sold on or  
11 after January 1, 1984. All unclaimed prize money not included  
12 in the prize pool of a special drawing shall be transferred to  
13 the Lottery Supports Schools ~~Common School~~ Fund.

14 (Source: P.A. 97-464, eff. 10-15-11.)

15 (20 ILCS 1605/20) (from Ch. 120, par. 1170)

16 Sec. 20. State Lottery Fund.

17 (a) There is created in the State Treasury a special fund  
18 to be known as the "State Lottery Fund". Such fund shall  
19 consist of all revenues received from (1) the sale of lottery  
20 tickets or shares, (net of commissions, fees representing those  
21 expenses that are directly proportionate to the sale of tickets  
22 or shares at the agent location, and prizes of less than \$600  
23 which have been validly paid at the agent level), (2)  
24 application fees, and (3) all other sources including moneys  
25 credited or transferred thereto from any other fund or source

1 pursuant to law. Interest earnings of the State Lottery Fund  
2 shall be credited to the Lottery Supports Schools ~~Common School~~  
3 Fund.

4 (b) The receipt and distribution of moneys under Section  
5 21.5 of this Act shall be in accordance with Section 21.5.

6 (c) The receipt and distribution of moneys under Section  
7 21.6 of this Act shall be in accordance with Section 21.6.

8 (d) The receipt and distribution of moneys under Section  
9 21.7 of this Act shall be in accordance with Section 21.7.

10 (e) The receipt and distribution of moneys under Section  
11 21.8 of this Act shall be in accordance with Section 21.8.

12 (Source: P.A. 94-120, eff. 7-6-05; 94-585, eff. 8-15-05;  
13 95-331, eff. 8-21-07; 95-673, eff. 10-11-07; 95-674, eff.  
14 10-11-07; 95-876, eff. 8-21-08.)

15 (20 ILCS 1605/20.1) (from Ch. 120, par. 1170.1)

16 Sec. 20.1. Department account.

17 (a) The Department is authorized to pay validated prizes up  
18 to \$25,000 from funds held by the Department in an account  
19 separate and apart from all public moneys of the State. Moneys  
20 in this account shall be administered by the Superintendent  
21 exclusively for the purposes of issuing payments to prize  
22 winners authorized by this Section. Moneys in this account  
23 shall be deposited by the Department into the Public  
24 Treasurers' Investment Pool established under Section 17 of the  
25 State Treasurer Act. The Department shall submit vouchers from

1 time to time as needed for reimbursement of this account from  
2 moneys appropriated for prizes from the State Lottery Fund.  
3 Investment income earned from this account shall be deposited  
4 monthly by the Department into the Lottery Supports Schools  
5 ~~Common School~~ Fund. The Department shall file quarterly fiscal  
6 reports specifying the activity of this account as required  
7 under Section 16 of the State Comptroller Act, and shall file  
8 quarterly with the General Assembly, the Auditor General, the  
9 Comptroller, and the State Treasurer a report indicating the  
10 costs associated with this activity.

11 (b) The Department is authorized to enter into an  
12 interagency agreement with the Office of the Comptroller or any  
13 other State agency to establish responsibilities, duties, and  
14 procedures for complying with the Comptroller's Offset System  
15 under Section 10.05 of the State Comptroller Act. All federal  
16 and State tax reporting and withholding requirements relating  
17 to prize winners under this Section shall be the responsibility  
18 of the Department. Moneys from this account may not be used to  
19 pay amounts to deferred prize winners. Moneys may not be  
20 transferred from the State Lottery Fund to this account for  
21 payment of prizes under this Section until procedures are  
22 implemented to comply with the Comptroller's Offset System and  
23 sufficient internal controls are in place to validate prizes.

24 (Source: P.A. 97-464, eff. 10-15-11.)

1       Sec. 20.3. Lottery Supports Schools Fund. There is created  
2       a Fund to be known as the Lottery Supports Schools Fund, which  
3       is a non-appropriated trust fund held outside of the State  
4       treasury. The Fund shall consist of moneys paid into it by the  
5       Division as provided in this Law. The Illinois Gaming Board  
6       shall certify each month to the State Board of Education the  
7       proportion of lottery sales in each school district in relation  
8       to statewide lottery sales. The moneys in the Lottery Supports  
9       Schools Fund must be distributed monthly by the State Board of  
10       Education to each school district based upon that school  
11       district's portion of statewide lottery sales.

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