

1 AN ACT concerning gaming.

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

4 ARTICLE 1.

5 Section 1-1. Short title. This Article may be cited as the
6 Chicago Casino Development Authority Act. References in this
7 Article to "this Act" mean this Article.

8 Section 1-5. Definitions. As used in this Act:

9 "Authority" means the Chicago Casino Development Authority
10 created by this Act.

11 "Board" means the board appointed pursuant to this Act to
12 govern and control the Authority.

13 "Casino" means one temporary land-based or water-based
14 facility, one permanent land-based or water-based facility,
15 and airport gaming locations pursuant to Section 1-67 of this
16 Act at each of which lawful gambling is authorized and licensed
17 as provided in the Illinois Gambling Act.

18 "City" means the City of Chicago.

19 "Casino operator licensee" means any person or entity
20 selected by the Authority and approved and licensed by the
21 Gaming Board to manage and operate a casino within the City of
22 Chicago pursuant to a casino management contract.

1 "Casino management contract" means a legally binding
2 agreement between the Authority and a casino operator licensee
3 to operate or manage a casino.

4 "Executive director" means the person appointed by the
5 Board to oversee the daily operations of the Authority.

6 "Gaming Board" means the Illinois Gaming Board created by
7 the Illinois Gambling Act.

8 "Mayor" means the Mayor of the City.

9 Section 1-12. Creation of the Authority. There is hereby
10 created a political subdivision, unit of local government with
11 only the powers authorized by law, body politic, and municipal
12 corporation, by the name and style of the Chicago Casino
13 Development Authority.

14 Section 1-13. Duties of the Authority. It shall be the duty
15 of the Authority, as a casino licensee under the Illinois
16 Gambling Act, to promote and maintain a casino in the City. The
17 Authority shall construct, equip, and maintain grounds,
18 buildings, and facilities for that purpose. The Authority shall
19 contract with a casino operator licensee to manage and operate
20 the casino and in no event shall the Authority or City manage
21 or operate the casino. The Authority may contract with other
22 third parties in order to fulfill its purpose. The Authority is
23 responsible for the payment of any fees required of a casino
24 operator under subsection (a) of Section 7.8 of the Illinois

1 Gambling Act if the casino operator licensee is late in paying
2 any such fees. The Authority is granted all rights and powers
3 necessary to perform such duties.

4 Section 1-15. Board.

5 (a) The governing and administrative powers of the
6 Authority shall be vested in a body known as the Chicago Casino
7 Development Board. The Board shall consist of 5 members
8 appointed by the Mayor. All appointees shall be subject to
9 background investigation and approval by the Gaming Board. One
10 of these members shall be designated by the Mayor to serve as
11 chairperson. All of the members appointed by the Mayor shall be
12 residents of the City.

13 (b) Board members shall receive \$300 for each day the
14 Authority meets and shall be entitled to reimbursement of
15 reasonable expenses incurred in the performance of their
16 official duties. A Board member who serves in the office of
17 secretary-treasurer may also receive compensation for services
18 provided as that officer.

19 Section 1-20. Terms of appointments; resignation and
20 removal.

21 (a) The Mayor shall appoint 2 members of the Board for an
22 initial term expiring July 1 of the year following approval by
23 the Gaming Board, 2 members for an initial term expiring July 1
24 three years following approval by the Gaming Board, and one

1 member for an initial term expiring July 1 five years following
2 approval by the Gaming Board.

3 (b) All successors shall hold office for a term of 5 years
4 from the first day of July of the year in which they are
5 appointed, except in the case of an appointment to fill a
6 vacancy. Each member, including the chairperson, shall hold
7 office until the expiration of his or her term and until his or
8 her successor is appointed and qualified. Nothing shall
9 preclude a member from serving consecutive terms. Any member
10 may resign from office, to take effect when a successor has
11 been appointed and qualified. A vacancy in office shall occur
12 in the case of a member's death or indictment, conviction, or
13 plea of guilty to a felony. A vacancy shall be filled for the
14 unexpired term by the Mayor with the approval of the Gaming
15 Board.

16 (c) Members of the Board shall serve at the pleasure of the
17 Mayor. The Mayor or the Gaming Board may remove any member of
18 the Board upon a finding of incompetence, neglect of duty, or
19 misfeasance or malfeasance in office or for a violation of this
20 Act. The Gaming Board may remove any member of the Board for
21 any violation of the Illinois Gambling Act or the rules and
22 regulations of the Gaming Board.

23 Section 1-25. Organization of Board; meetings. After
24 appointment by the Mayor and approval of the Gaming Board, the
25 Board shall organize for the transaction of business. The Board

1 shall prescribe the time and place for meetings, the manner in
2 which special meetings may be called, and the notice that must
3 be given to members. All actions and meetings of the Board
4 shall be subject to the provisions of the Open Meetings Act.
5 Three members of the Board shall constitute a quorum. All
6 substantive action of the Board shall be by resolution with an
7 affirmative vote of a majority of the members.

8 Section 1-30. Executive director; officers.

9 (a) The Board shall appoint an executive director, subject
10 to completion of a background investigation and approval by the
11 Gaming Board, who shall be the chief executive officer of the
12 Authority. The Board shall fix the compensation of the
13 executive director. Subject to the general control of the
14 Board, the executive director shall be responsible for the
15 management of the business, properties, and employees of the
16 Authority. The executive director shall direct the enforcement
17 of all resolutions, rules, and regulations of the Board, and
18 shall perform such other duties as may be prescribed from time
19 to time by the Board. All employees and independent
20 contractors, consultants, engineers, architects, accountants,
21 attorneys, financial experts, construction experts and
22 personnel, superintendents, managers, and other personnel
23 appointed or employed pursuant to this Act shall report to the
24 executive director. In addition to any other duties set forth
25 in this Act, the executive director shall do all of the

1 following:

2 (1) Direct and supervise the administrative affairs
3 and activities of the Authority in accordance with its
4 rules, regulations, and policies.

5 (2) Attend meetings of the Board.

6 (3) Keep minutes of all proceedings of the Board.

7 (4) Approve all accounts for salaries, per diem
8 payments, and allowable expenses of the Board and its
9 employees and consultants.

10 (5) Report and make recommendations to the Board
11 concerning the terms and conditions of any casino
12 management contract.

13 (6) Perform any other duty that the Board requires for
14 carrying out the provisions of this Act.

15 (7) Devote his or her full time to the duties of the
16 office and not hold any other office or employment.

17 (b) The Board may select a secretary-treasurer to hold
18 office at the pleasure of the Board. The Board shall fix the
19 duties of such officer.

20 Section 1-31. General rights and powers of the Authority.
21 In addition to the duties and powers set forth in this Act, the
22 Authority shall have the following rights and powers:

23 (1) Adopt and alter an official seal.

24 (2) Establish and change its fiscal year.

25 (3) Sue and be sued, plead and be impleaded, all in its

1 own name, and agree to binding arbitration of any dispute
2 to which it is a party.

3 (4) Adopt, amend, and repeal bylaws, rules, and
4 regulations consistent with the furtherance of the powers
5 and duties provided for.

6 (5) Maintain its principal office within the City and
7 such other offices as the Board may designate.

8 (6) Select locations in the City for a temporary and a
9 permanent casino, subject to final approval by the Gaming
10 Board.

11 (7) Conduct background investigations of potential
12 casino operator licensees, including its principals or
13 shareholders, and Authority staff.

14 (8) Employ, either as regular employees or independent
15 contractors, consultants, engineers, architects,
16 accountants, attorneys, financial experts, construction
17 experts and personnel, superintendents, managers and other
18 professional personnel, and such other personnel as may be
19 necessary in the judgment of the Board, and fix their
20 compensation.

21 (9) Own, acquire, construct, equip, lease, operate,
22 and maintain grounds, buildings, and facilities to carry
23 out its corporate purposes and duties.

24 (10) Enter into, revoke, and modify contracts in
25 accordance with the rules of the Gaming Board.

26 (11) Enter into a casino management contract subject to

1 the final approval of the Gaming Board.

2 (12) Develop, or cause to be developed by a third
3 party, a master plan for the design, planning, and
4 development of a casino.

5 (13) Negotiate and enter into intergovernmental
6 agreements with the State and its agencies, the City, and
7 other units of local government, in furtherance of the
8 powers and duties of the Board. However, the Authority may
9 not enter into an agreement with the State Police.

10 (14) Receive and disburse funds for its own corporate
11 purposes or as otherwise specified in this Act.

12 (15) Borrow money from any source, public or private,
13 for any corporate purpose, including, without limitation,
14 working capital for its operations, reserve funds, or
15 payment of interest, and to mortgage, pledge, or otherwise
16 encumber the property or funds of the Authority and to
17 contract with or engage the services of any person in
18 connection with any financing, including financial
19 institutions, issuers of letters of credit, or insurers and
20 enter into reimbursement agreements with this person or
21 entity which may be secured as if money were borrowed from
22 the person or entity.

23 (16) Issue bonds as provided for under this Act.

24 (17) Receive and accept from any source, private or
25 public, contributions, gifts, or grants of money or
26 property to the Authority.

1 (18) Provide for the insurance of any property,
2 operations, officers, members, agents, or employees of the
3 Authority against any risk or hazard, to self-insure or
4 participate in joint self-insurance pools or entities to
5 insure against such risk or hazard, and to provide for the
6 indemnification of its officers, members, employees,
7 contractors, or agents against any and all risks.

8 (19) Exercise all the corporate powers granted
9 Illinois corporations under the Business Corporation Act
10 of 1983, except to the extent that powers are inconsistent
11 with those of a body politic and corporate of the State.

12 (20) Do all things necessary or convenient to carry out
13 the powers granted by this Act.

14 Section 1-32. Ethical conduct.

15 (a) Board members and employees of the Authority must carry
16 out their duties and responsibilities in such a manner as to
17 promote and preserve public trust and confidence in the
18 integrity and conduct of gaming.

19 (b) Except as may be required in the conduct of official
20 duties, Board members and employees of the Authority shall not
21 engage in gambling on any riverboat, in any casino, or in an
22 electronic gaming facility licensed by the Illinois Gaming
23 Board or engage in legalized gambling in any establishment
24 identified by Board action that, in the judgment of the Board,
25 could represent a potential for a conflict of interest.

1 (c) A Board member or employee of the Authority shall not
2 use or attempt to use his or her official position to secure or
3 attempt to secure any privilege, advantage, favor, or influence
4 for himself or herself or others.

5 (d) Board members and employees of the Authority shall not
6 hold or pursue employment, office, position, business, or
7 occupation that may conflict with his or her official duties.
8 Employees may engage in other gainful employment so long as
9 that employment does not interfere or conflict with their
10 duties. Such employment must be disclosed to the executive
11 director and approved by the Board.

12 (e) Board members and employees of the Authority may not
13 engage in employment, communications, or any activity that may
14 be deemed a conflict of interest. This prohibition shall extend
15 to any act identified by Board action or Gaming Board action
16 that, in the judgment of either entity, could represent the
17 potential for or the appearance of a conflict of interest.

18 (f) Board members and employees of the Authority may not
19 have a financial interest, directly or indirectly, in his or
20 her own name or in the name of any other person, partnership,
21 association, trust, corporation, or other entity in any
22 contract or subcontract for the performance of any work for the
23 Authority. This prohibition shall extend to the holding or
24 acquisition of an interest in any entity identified by Board
25 action or Gaming Board action that, in the judgment of either
26 entity, could represent the potential for or the appearance of

1 a financial interest. The holding or acquisition of an interest
2 in such entities through an indirect means, such as through a
3 mutual fund, shall not be prohibited, except that the Gaming
4 Board may identify specific investments or funds that, in its
5 judgment, are so influenced by gaming holdings as to represent
6 the potential for or the appearance of a conflict of interest.

7 (g) Board members and employees of the Authority may not
8 accept any gift, gratuity, service, compensation, travel,
9 lodging, or thing of value, with the exception of unsolicited
10 items of an incidental nature, from any person, corporation, or
11 entity doing business with the Authority.

12 (h) No Board member or employee of the Authority may,
13 during employment or within a period of 2 years immediately
14 after termination of employment, knowingly accept employment
15 or receive compensation or fees for services from a person or
16 entity, or its parent or affiliate, that has engaged in
17 business with the Authority that resulted in contracts with an
18 aggregate value of at least \$25,000 or if that Board member or
19 employee has made a decision that directly applied to the
20 person or entity, or its parent or affiliate.

21 (i) A spouse, child, or parent of a Board member or
22 employee of the Authority may not have a financial interest,
23 directly or indirectly, in his or her own name or in the name
24 of any other person, partnership, association, trust,
25 corporation, or other entity in any contract or subcontract for
26 the performance of any work for the Authority. This prohibition

1 shall extend to the holding or acquisition of an interest in
2 any entity identified by Board action or Gaming Board action
3 that, in the judgment of either entity, could represent the
4 potential for or the appearance of a conflict of interest. The
5 holding or acquisition of an interest in such entities through
6 an indirect means, such as through a mutual fund, shall not be
7 prohibited, except that the Gaming Board may identify specific
8 investments or funds that, in its judgment, are so influenced
9 by gaming holdings as to represent the potential for or the
10 appearance of a conflict of interest.

11 (j) A spouse, child, or parent of a Board member or
12 employee of the Authority may not accept any gift, gratuity,
13 service, compensation, travel, lodging, or thing of value, with
14 the exception of unsolicited items of an incidental nature,
15 from any person, corporation, or entity doing business with the
16 Authority.

17 (k) A spouse, child, or parent of a Board member or
18 employee of the Authority may not, while the person is a Board
19 member or employee of the spouse or within a period of 2 years
20 immediately after termination of employment, knowingly accept
21 employment or receive compensation or fees for services from a
22 person or entity, or its parent or affiliate, that has engaged
23 in business with the Authority that resulted in contracts with
24 an aggregate value of at least \$25,000 or if that Board member
25 or employee has made a decision that directly applied to the
26 person or entity, or its parent or affiliate.

1 (1) No Board member or employee of the Authority may
2 attempt, in any way, to influence any person or corporation
3 doing business with the Authority or any officer, agent, or
4 employee thereof to hire or contract with any person or
5 corporation for any compensated work.

6 (m) Any communication between an elected official of the
7 City and any applicant for or party to a casino management
8 contract with the Authority, or an officer, director, or
9 employee thereof, concerning any manner relating in any way to
10 gaming or the Authority shall be disclosed to the Board and the
11 Gaming Board. Such disclosure shall be in writing by the
12 official within 30 days after the communication and shall be
13 filed with the Board. Disclosure must consist of the date of
14 the communication, the identity and job title of the person
15 with whom the communication was made, a brief summary of the
16 communication, the action requested or recommended, all
17 responses made, the identity and job title of the person making
18 the response, and any other pertinent information.

19 Public disclosure of the written summary provided to the
20 Board and the Gaming Board shall be subject to the exemptions
21 provided under Section 7 of the Freedom of Information Act.

22 (n) Any Board member or employee of the Authority who
23 violates any provision of this Section is guilty of a Class 4
24 felony.

25 Section 1-45. Casino management contracts.

1 (a) The Board shall develop and administer a competitive
2 sealed bidding process for the selection of a potential casino
3 operator licensee to develop or operate a casino within the
4 City. The Board shall issue one or more requests for proposals.
5 The Board may establish minimum financial and investment
6 requirements to determine the eligibility of persons to respond
7 to the Board's requests for proposal, and may establish and
8 consider such other criteria as it deems appropriate. The Board
9 may impose a fee upon persons who respond to requests for
10 proposal, in order to reimburse the Board for its costs in
11 preparing and issuing the requests and reviewing the proposals.

12 (b) Within 5 days after the time limit for submitting bids
13 and proposals has passed, the Board shall make all bids and
14 proposals public, provided, however, the Board shall not be
15 required to disclose any information which would be exempt from
16 disclosure under Section 7 of the Freedom of Information Act.
17 Thereafter, the Board shall evaluate the responses to its
18 requests for proposal and the ability of all persons or
19 entities responding to its requests for proposal to meet the
20 requirements of this Act and to undertake and perform the
21 obligations set forth in its requests for proposal.

22 (c) After reviewing proposals and subject to Gaming Board
23 approval, the Board shall enter into a casino management
24 contract authorizing the development, construction, or
25 operation of a casino. Validity of the casino management
26 contract is contingent upon the issuance of a casino operator

1 license to the successful bidder. If the Gaming Board approves
2 the contract and grants a casino operator license, the Board
3 shall transmit a copy of the executed casino management
4 contract to the Gaming Board.

5 (d) After the Authority has been issued a casino license,
6 the Gaming Board has issued a casino operator license, and the
7 Gaming Board has approved the location of a temporary facility,
8 the Authority may conduct gaming operations at a temporary
9 facility for no longer than 24 months after gaming operations
10 begin. The Gaming Board may, after holding a public hearing,
11 grant an extension so long as a permanent facility is not
12 operational and the Authority is working in good faith to
13 complete the permanent facility. The Gaming Board may grant
14 additional extensions following a public hearing. Each
15 extension may be for a period of no longer than 6 months.

16 (e) Fifty percent of any initial consideration received by
17 the Authority that was paid as an inducement pursuant to a bid
18 for a casino management contract or an executed casino
19 management contract must be transmitted to the State and
20 deposited into the Gaming Facilities Fee Revenue Fund. The
21 initial consideration shall not include any amounts paid by an
22 entity on behalf of the Authority for any license or per
23 position fees imposed pursuant to the Illinois Gambling Act or
24 any other financial obligation of the Authority.

25 Section 1-50. Transfer of funds. The revenues received by

1 the Authority (other than amounts required to be paid pursuant
2 to the Illinois Gambling Act and amounts required to pay the
3 operating expenses of the Authority, to pay amounts due the
4 casino operator licensee pursuant to a casino management
5 contract, to repay any borrowing of the Authority made pursuant
6 to Section 1-31, to pay debt service on any bonds issued under
7 Section 1-75, and to pay any expenses in connection with the
8 issuance of such bonds pursuant to Section 1-75 or derivative
9 products pursuant to Section 1-85) shall be transferred to the
10 City by the Authority.

11 Section 1-60. Auditor General.

12 (a) Prior to the issuance of bonds under this Act, the
13 Authority shall submit to the Auditor General a certification
14 that:

15 (1) it is legally authorized to issue bonds;

16 (2) scheduled annual payments of principal and
17 interest on the bonds to be issued meet the requirements of
18 Section 1-75 of this Act;

19 (3) no bond shall mature later than 30 years; and

20 (4) after payment of costs of issuance and necessary
21 deposits to funds and accounts established with respect to
22 debt service on the bonds, the net bond proceeds (exclusive
23 of any proceeds to be used to refund outstanding bonds)
24 will be used only for the purposes set forth in this Act.

25 The Authority also shall submit to the Auditor General its

1 projections on revenues to be generated and pledged to
2 repayment of the bonds as scheduled and such other information
3 as the Auditor General may reasonably request.

4 The Auditor General shall examine the certifications and
5 information submitted and submit a report to the Authority and
6 the Gaming Board indicating whether the required
7 certifications, projections, and other information have been
8 submitted by the Authority and that the assumptions underlying
9 the projections are not unreasonable in the aggregate. The
10 Auditor General shall submit the report no later than 60 days
11 after receiving the information required to be submitted by the
12 Authority.

13 The Authority shall not issue bonds until it receives the
14 report from the Auditor General indicating the requirements of
15 this Section have been met. The Auditor General's report shall
16 not be in the nature of a post-audit or examination and shall
17 not lead to the issuance of an opinion, as that term is defined
18 in generally accepted government auditing standards. The
19 Auditor General shall submit a bill to the Authority for costs
20 associated with the examinations and report required under this
21 Section. The Authority shall reimburse in a timely manner.

22 (b) The Authority shall enter into an intergovernmental
23 agreement with the Auditor General authorizing the Auditor
24 General to, every 2 years, (i) review the financial audit of
25 the Authority performed by the Authority's certified public
26 accountants, (ii) perform a management audit of the Authority,

1 and (iii) perform a management audit of the casino operator
2 licensee. The Auditor General shall provide the Authority and
3 the General Assembly with the audits and shall post a copy on
4 his or her website. The Auditor General shall submit a bill to
5 the Authority for costs associated with the review and the
6 audit required under this Section, which costs shall not exceed
7 \$100,000, and the Authority shall reimburse the Auditor General
8 for such costs in a timely manner.

9 Section 1-62. Advisory committee. An Advisory Committee is
10 established to monitor, review, and report on (1) the
11 Authority's utilization of minority-owned business enterprises
12 and female-owned business enterprises, (2) employment of
13 females, and (3) employment of minorities with regard to the
14 development and construction of the casino as authorized under
15 Section 7 of the Illinois Gambling Act. The Authority shall
16 work with the Advisory Committee in accumulating necessary
17 information for the Committee to submit reports, as necessary,
18 to the General Assembly and to the City.

19 The Committee shall consist of 11 members as provided in
20 this Section. Four members shall be selected by the Governor; 3
21 members shall be selected by the Mayor of the City of Chicago;
22 one member shall be selected by the President of the Senate;
23 one member shall be selected by the Speaker of the House of
24 Representatives; one member shall be selected by the Minority
25 Leader of the Senate; and one member shall be selected by the

1 Minority Leader of the House of Representatives. The Advisory
2 Committee shall meet periodically and shall report the
3 information to the Mayor of the City and to the General
4 Assembly by December 31st of every year.

5 The Advisory Committee shall be dissolved on the date that
6 casino gambling operations are first conducted at a permanent
7 facility under the license authorized under Section 7 of the
8 Illinois Gambling Act. For the purposes of this Section, the
9 terms "female" and "minority person" have the meanings provided
10 in Section 2 of the Business Enterprise for Minorities,
11 Females, and Persons with Disabilities Act.

12 Section 1-65. Acquisition of property; eminent domain
13 proceedings. For the lawful purposes of this Act, the City may
14 acquire by eminent domain or by condemnation proceedings in the
15 manner provided by the Eminent Domain Act, real or personal
16 property or interests in real or personal property located in
17 the City, and the City may convey to the Authority property so
18 acquired. The acquisition of property under this Section is
19 declared to be for a public use.

20 Section 1-67. Limitations on gaming at Chicago airports.
21 The Authority may conduct gaming operations in an airport under
22 the administration or control of the Chicago Department of
23 Aviation. Gaming operations may be conducted pursuant to this
24 Section so long as (i) gaming operations are conducted in a

1 secured area that is beyond the Transportation Security
2 Administration security checkpoints and only available to
3 airline passengers and not the general public, (ii) gaming
4 operations are limited to slot machines, as defined in Section
5 4 of the Illinois Gambling Act, and (iii) the combined number
6 of gaming positions operating in the City at the airports and
7 at the temporary and permanent casino facility does not exceed
8 the maximum number of gaming positions authorized pursuant to
9 subsection (h) of Section 7 of the Illinois Gambling Act.
10 Gaming operations at an airport are subject to all applicable
11 laws and rules that apply to any other gaming facility under
12 this Act or the Illinois Gambling Act.

13 Section 1-70. Local regulation. The casino facilities and
14 operations therein shall be subject to all ordinances and
15 regulations of the City. The construction, development, and
16 operation of the casino shall comply with all ordinances,
17 regulations, rules, and controls of the City, including but not
18 limited to those relating to zoning and planned development,
19 building, fire prevention, and land use. However, the
20 regulation of gaming operations is subject to the exclusive
21 jurisdiction of the Gaming Board.

22 Section 1-75. Borrowing.

23 (a) The Authority may borrow money and issue bonds as
24 provided in this Section. Bonds of the Authority may be issued

1 to provide funds for land acquisition, site assembly and
2 preparation, and the design and construction of the casino, as
3 defined in the Illinois Gambling Act, all ancillary and related
4 facilities comprising the casino complex, and all on-site and
5 off-site infrastructure improvements required in connection
6 with the development of the casino; to refund (at the time or
7 in advance of any maturity or redemption) or redeem any bonds
8 of the Authority; to provide or increase a debt service reserve
9 fund or other reserves with respect to any or all of its bonds;
10 or to pay the legal, financial, administrative, bond insurance,
11 credit enhancement, and other legal expenses of the
12 authorization, issuance, or delivery of bonds. In this Act, the
13 term "bonds" also includes notes of any kind, interim
14 certificates, refunding bonds, or any other evidence of
15 obligation for borrowed money issued under this Section. Bonds
16 may be issued in one or more series and may be payable and
17 secured either on a parity with or separately from other bonds.

18 (b) The bonds of the Authority shall be payable from one or
19 more of the following sources: (i) the property or revenues of
20 the Authority; (ii) revenues derived from the casino; (iii)
21 revenues derived from any casino operator licensee; (iv) fees,
22 bid proceeds, charges, lease payments, payments required
23 pursuant to any casino management contract or other revenues
24 payable to the Authority, or any receipts of the Authority; (v)
25 payments by financial institutions, insurance companies, or
26 others pursuant to letters or lines of credit, policies of

1 insurance, or purchase agreements; (vi) investment earnings
2 from funds or accounts maintained pursuant to a bond resolution
3 or trust indenture; (vii) proceeds of refunding bonds; (viii)
4 any other revenues derived from or payments by the City; and
5 (ix) any payments by any casino operator licensee or others
6 pursuant to any guaranty agreement.

7 (c) Bonds shall be authorized by a resolution of the
8 Authority and may be secured by a trust indenture by and
9 between the Authority and a corporate trustee or trustees,
10 which may be any trust company or bank having the powers of a
11 trust company within or without the State. Bonds shall meet the
12 following requirements:

13 (1) Bonds shall bear interest at a rate not to exceed
14 the maximum rate authorized by the Bond Authorization Act.

15 (2) Bonds issued pursuant to this Section may be
16 payable on such dates and times as may be provided for by
17 the resolution or indenture authorizing the issuance of
18 such bonds; provided, however, that such bonds shall mature
19 no later than 30 years from the date of issuance.

20 (3) At least 25%, based on total principal amount, of
21 all bonds issued pursuant to this Section shall be sold
22 pursuant to notice of sale and public bid. No more than
23 75%, based on total principal amount, of all bonds issued
24 pursuant to this Section shall be sold by negotiated sale.

25 (4) Bonds shall be payable at a time or times, in the
26 denominations and form, including book entry form, either

1 coupon, registered, or both, and carry the registration and
2 privileges as to exchange, transfer or conversion, and
3 replacement of mutilated, lost, or destroyed bonds as the
4 resolution or trust indenture may provide.

5 (5) Bonds shall be payable in lawful money of the
6 United States at a designated place.

7 (6) Bonds shall be subject to the terms of purchase,
8 payment, redemption, refunding, or refinancing that the
9 resolution or trust indenture provides.

10 (7) Bonds shall be executed by the manual or facsimile
11 signatures of the officers of the Authority designated by
12 the Board, which signatures shall be valid at delivery even
13 for one who has ceased to hold office.

14 (8) Bonds shall be sold at public or private sale in
15 the manner and upon the terms determined by the Authority.

16 (9) Bonds shall be issued in accordance with the
17 provisions of the Local Government Debt Reform Act.

18 (d) The Authority shall adopt a procurement program with
19 respect to contracts relating to underwriters, bond counsel,
20 financial advisors, and accountants. The program shall include
21 goals for the payment of not less than 30% of the total dollar
22 value of the fees from these contracts to minority-owned
23 businesses and female-owned businesses as defined in the
24 Business Enterprise for Minorities, Females, and Persons with
25 Disabilities Act. The Authority shall conduct outreach to
26 minority-owned businesses and female-owned businesses.

1 Outreach shall include, but is not limited to, advertisements
2 in periodicals and newspapers, mailings, and other appropriate
3 media. The Authority shall submit to the General Assembly a
4 comprehensive report that shall include, at a minimum, the
5 details of the procurement plan, outreach efforts, and the
6 results of the efforts to achieve goals for the payment of
7 fees.

8 (e) Subject to the Illinois Gambling Act and rules of the
9 Gaming Board regarding pledging of interests in holders of
10 owners licenses, any resolution or trust indenture may contain
11 provisions that may be a part of the contract with the holders
12 of the bonds as to the following:

13 (1) Pledging, assigning, or directing the use,
14 investment, or disposition of revenues of the Authority or
15 proceeds or benefits of any contract, including without
16 limitation any rights in any casino management contract.

17 (2) The setting aside of loan funding deposits, debt
18 service reserves, replacement or operating reserves, cost
19 of issuance accounts and sinking funds, and the regulation,
20 investment, and disposition thereof.

21 (3) Limitations on the purposes to which or the
22 investments in which the proceeds of sale of any issue of
23 bonds or the Authority's revenues and receipts may be
24 applied or made.

25 (4) Limitations on the issue of additional bonds, the
26 terms upon which additional bonds may be issued and

1 secured, the terms upon which additional bonds may rank on
2 a parity with, or be subordinate or superior to, other
3 bonds.

4 (5) The refunding, advance refunding, or refinancing
5 of outstanding bonds.

6 (6) The procedure, if any, by which the terms of any
7 contract with bondholders may be altered or amended and the
8 amount of bonds and holders of which must consent thereto
9 and the manner in which consent shall be given.

10 (7) Defining the acts or omissions that shall
11 constitute a default in the duties of the Authority to
12 holders of bonds and providing the rights or remedies of
13 such holders in the event of a default, which may include
14 provisions restricting individual rights of action by
15 bondholders.

16 (8) Providing for guarantees, pledges of property,
17 letters of credit, or other security, or insurance for the
18 benefit of bondholders.

19 (f) No member of the Board, nor any person executing the
20 bonds, shall be liable personally on the bonds or subject to
21 any personal liability by reason of the issuance of the bonds.

22 (g) The Authority may issue and secure bonds in accordance
23 with the provisions of the Local Government Credit Enhancement
24 Act.

25 (h) A pledge by the Authority of revenues and receipts as
26 security for an issue of bonds or for the performance of its

1 obligations under any casino management contract shall be valid
2 and binding from the time when the pledge is made. The revenues
3 and receipts pledged shall immediately be subject to the lien
4 of the pledge without any physical delivery or further act, and
5 the lien of any pledge shall be valid and binding against any
6 person having any claim of any kind in tort, contract, or
7 otherwise against the Authority, irrespective of whether the
8 person has notice. No resolution, trust indenture, management
9 agreement or financing statement, continuation statement, or
10 other instrument adopted or entered into by the Authority need
11 be filed or recorded in any public record other than the
12 records of the Authority in order to perfect the lien against
13 third persons, regardless of any contrary provision of law.

14 (i) Bonds that are being paid or retired by issuance, sale,
15 or delivery of bonds, and bonds for which sufficient funds have
16 been deposited with the paying agent or trustee to provide for
17 payment of principal and interest thereon, and any redemption
18 premium, as provided in the authorizing resolution, shall not
19 be considered outstanding for the purposes of this subsection.

20 (j) The bonds of the Authority shall not be indebtedness of
21 the State. The bonds of the Authority are not general
22 obligations of the State and are not secured by a pledge of the
23 full faith and credit of the State and the holders of bonds of
24 the Authority may not require, except as provided in this Act,
25 the application of State revenues or funds to the payment of
26 bonds of the Authority.

1 (k) The State of Illinois pledges and agrees with the
2 owners of the bonds that it will not limit or alter the rights
3 and powers vested in the Authority by this Act so as to impair
4 the terms of any contract made by the Authority with the owners
5 or in any way impair the rights and remedies of the owners
6 until the bonds, together with interest on them, and all costs
7 and expenses in connection with any action or proceedings by or
8 on behalf of the owners, are fully met and discharged. The
9 Authority is authorized to include this pledge and agreement in
10 any contract with the owners of bonds issued under this
11 Section.

12 (1) No person holding an elective office in this State,
13 holding a seat in the General Assembly, or serving as a board
14 member, trustee, officer, or employee of the Authority,
15 including the spouse of that person, may receive a legal,
16 banking, consulting, or other fee related to the issuance of
17 bonds. This prohibition shall also apply to a company or firm
18 that employs a person holding an elective office in this State,
19 holding a seat in the General Assembly, or serving as a board
20 member, trustee, officer, or employee of the Authority,
21 including the spouse of that person, if the person or his or
22 her spouse has greater than 7.5% ownership of the company or
23 firm.

24 Section 1-85. Derivative products. With respect to all or
25 part of any issue of its bonds, the Authority may enter into

1 agreements or contracts with any necessary or appropriate
2 person, which will have the benefit of providing to the
3 Authority an interest rate basis, cash flow basis, or other
4 basis different from that provided in the bonds for the payment
5 of interest. Such agreements or contracts may include, without
6 limitation, agreements or contracts commonly known as
7 "interest rate swap agreements", "forward payment conversion
8 agreements", "futures", "options", "puts", or "calls" and
9 agreements or contracts providing for payments based on levels
10 of or changes in interest rates, agreements or contracts to
11 exchange cash flows or a series of payments, or to hedge
12 payment, rate spread, or similar exposure.

13 Section 1-90. Legality for investment. The State of
14 Illinois, all governmental entities, all public officers,
15 banks, bankers, trust companies, savings banks and
16 institutions, building and loan associations, savings and loan
17 associations, investment companies, and other persons carrying
18 on a banking business, insurance companies, insurance
19 associations, and other persons carrying on an insurance
20 business, and all executors, administrators, guardians,
21 trustees, and other fiduciaries may legally invest any sinking
22 funds, moneys, or other funds belonging to them or within their
23 control in any bonds issued under this Act. However, nothing in
24 this Section shall be construed as relieving any person, firm,
25 or corporation from any duty of exercising reasonable care in

1 selecting securities for purchase or investment.

2 Section 1-105. Budgets and reporting.

3 (a) The Board shall annually adopt a budget for each fiscal
4 year. The budget may be modified from time to time in the same
5 manner and upon the same vote as it may be adopted. The budget
6 shall include the Authority's available funds and estimated
7 revenues and shall provide for payment of its obligations and
8 estimated expenditures for the fiscal year, including, without
9 limitation, expenditures for administration, operation,
10 maintenance and repairs, debt service, and deposits into
11 reserve and other funds and capital projects.

12 (b) The Board shall annually cause the finances of the
13 Authority to be audited by a firm of certified public
14 accountants selected by the Board in accordance with the rules
15 of the Gaming Board and post the firm's audits of the Authority
16 on the Authority's Internet website.

17 (c) The Board shall, for each fiscal year, prepare an
18 annual report setting forth information concerning its
19 activities in the fiscal year and the status of the development
20 of the casino. The annual report shall include the audited
21 financial statements of the Authority for the fiscal year, the
22 budget for the succeeding fiscal year, and the current capital
23 plan as of the date of the report. Copies of the annual report
24 shall be made available to persons who request them and shall
25 be submitted not later than 120 days after the end of the

1 Authority's fiscal year or, if the audit of the Authority's
2 financial statements is not completed within 120 days after the
3 end of the Authority's fiscal year, as soon as practical after
4 completion of the audit, to the Governor, the Mayor, the
5 General Assembly, and the Commission on Government Forecasting
6 and Accountability.

7 Section 1-110. Deposit and withdrawal of funds.

8 (a) All funds deposited by the Authority in any bank or
9 savings and loan association shall be placed in the name of the
10 Authority and shall be withdrawn or paid out only by check or
11 draft upon the bank or savings and loan association, signed by
12 2 officers or employees designated by the Board.
13 Notwithstanding any other provision of this Section, the Board
14 may designate any of its members or any officer or employee of
15 the Authority to authorize the wire transfer of funds deposited
16 by the secretary-treasurer of funds in a bank or savings and
17 loan association for the payment of payroll and employee
18 benefits-related expenses.

19 No bank or savings and loan association shall receive
20 public funds as permitted by this Section unless it has
21 complied with the requirements established pursuant to Section
22 6 of the Public Funds Investment Act.

23 (b) If any officer or employee whose signature appears upon
24 any check or draft issued pursuant to this Act ceases (after
25 attaching his signature) to hold his or her office before the

1 delivery of such a check or draft to the payee, his or her
2 signature shall nevertheless be valid and sufficient for all
3 purposes with the same effect as if he or she had remained in
4 office until delivery thereof.

5 Section 1-112. Contracts with the Authority or casino
6 operator licensee; disclosure requirements.

7 (a) A bidder, respondent, offeror, or contractor for
8 contracts with the Authority or casino operator licensee shall
9 disclose the identity of all officers and directors and every
10 owner, beneficiary, or person with beneficial interest of more
11 than 1% or shareholder entitled to receive more than 1% of the
12 total distributable income of any corporation having any
13 interest in the contract or in the bidder, respondent, offeror,
14 or contractor. The disclosure shall be in writing and attested
15 to by an owner, trustee, corporate official, or agent. If stock
16 in a corporation is publicly traded and there is no readily
17 known individual having greater than a 1% interest, then a
18 statement to that effect attested to by an officer or agent of
19 the corporation shall fulfill the disclosure statement
20 requirement of this Section. A bidder, respondent, offeror, or
21 contractor shall notify the Authority of any changes in
22 officers, directors, ownership, or individuals having a
23 beneficial interest of more than 1%.

24 (b) A bidder, respondent, offeror, or contractor for
25 contracts with an annual value of \$10,000 or more or for a

1 period to exceed one year shall disclose all political
2 contributions of the bidder, respondent, offeror, or
3 contractor and any affiliated person or entity. Disclosure
4 shall include at least the names and addresses of the
5 contributors and the dollar amounts of any contributions to any
6 political committee made within the previous 2 years. The
7 disclosure must be submitted to the Gaming Board with a copy of
8 the contract.

9 (c) As used in this Section:

10 "Contribution" means contribution as defined in Section
11 9-1.4 of the Election Code.

12 "Affiliated person" means (i) any person with any ownership
13 interest or distributive share of the bidding, responding, or
14 contracting entity in excess of 1%, (ii) executive employees of
15 the bidding, responding, or contracting entity, and (iii) the
16 spouse and minor children of any such persons.

17 "Affiliated entity" means (i) any parent or subsidiary of
18 the bidding or contracting entity, (ii) any member of the same
19 unitary business group, or (iii) any political committee for
20 which the bidding, responding, or contracting entity is the
21 sponsoring entity.

22 (d) The Gaming Board may direct the Authority or a casino
23 operator licensee to void a contract if a violation of this
24 Section occurs. The Authority may direct a casino operator
25 licensee to void a contract if a violation of this Section
26 occurs.

1 Section 1-115. Purchasing.

2 (a) All construction contracts and contracts for supplies,
3 materials, equipment, and services, when the cost thereof to
4 the Authority exceeds \$25,000, shall be let by a competitive
5 selection process to the lowest responsible proposer, after
6 advertising for proposals, except for the following:

7 (1) when repair parts, accessories, equipment, or
8 services are required for equipment or services previously
9 furnished or contracted for;

10 (2) professional services;

11 (3) when services such as water, light, heat, power,
12 telephone (other than long-distance service), or telegraph
13 are required;

14 (4) when contracts for the use, purchase, delivery,
15 movement, or installation of data processing equipment,
16 software, or services and telecommunications equipment,
17 software, and services are required;

18 (5) casino management contracts, which shall be
19 awarded as set forth in Section 1-45 of this Act;

20 (6) contracts where there is only one economically
21 feasible source; and

22 (7) when a purchase is needed on an immediate,
23 emergency basis because there exists a threat to public
24 health or public safety, or when immediate expenditure is
25 necessary for repairs to Authority property in order to

1 protect against further loss of or damage to Authority
2 property, to prevent or minimize serious disruption in
3 Authority services or to ensure the integrity of Authority
4 records.

5 (b) All contracts involving less than \$25,000 shall be let
6 by competitive selection process whenever possible, and in any
7 event in a manner calculated to ensure the best interests of
8 the public.

9 (c) In determining the responsibility of any proposer, the
10 Authority may take into account the proposer's (or an
11 individual having a beneficial interest, directly or
12 indirectly, of more than 1% in such proposing entity) past
13 record of dealings with the Authority, the proposer's
14 experience, adequacy of equipment, and ability to complete
15 performance within the time set, and other factors besides
16 financial responsibility. No such contract shall be awarded to
17 any proposer other than the lowest proposer (in case of
18 purchase or expenditure) unless authorized or approved by a
19 vote of at least 3 members of the Board and such action is
20 accompanied by a written statement setting forth the reasons
21 for not awarding the contract to the highest or lowest
22 proposer, as the case may be. The statement shall be kept on
23 file in the principal office of the Authority and open to
24 public inspection.

25 (d) The Authority shall have the right to reject all
26 proposals and to re-advertise for proposals. If after any such

1 re-advertisement, no responsible and satisfactory proposals,
2 within the terms of the re-advertisement, is received, the
3 Authority may award such contract without competitive
4 selection, provided that the Gaming Board must approve the
5 contract prior to its execution. The contract must not be less
6 advantageous to the Authority than any valid proposal received
7 pursuant to advertisement.

8 (e) Advertisements for proposals and re-proposals shall be
9 published at least once in a daily newspaper of general
10 circulation published in the City at least 10 calendar days
11 before the time for receiving proposals and in an online
12 bulletin published on the Authority's website. Such
13 advertisements shall state the time and place for receiving and
14 opening of proposals and, by reference to plans and
15 specifications on file at the time of the first publication or
16 in the advertisement itself, shall describe the character of
17 the proposed contract in sufficient detail to fully advise
18 prospective proposers of their obligations and to ensure free
19 and open competitive selection.

20 (f) All proposals in response to advertisements shall be
21 sealed and shall be publicly opened by the Authority. All
22 proposers shall be entitled to be present in person or by
23 representatives. Cash or a certified or satisfactory cashier's
24 check, as a deposit of good faith, in a reasonable amount to be
25 fixed by the Authority before advertising for proposals, shall
26 be required with the proposal. A bond for faithful performance

1 of the contract with surety or sureties satisfactory to the
2 Authority and adequate insurance may be required in reasonable
3 amounts to be fixed by the Authority before advertising for
4 proposals.

5 (g) The contract shall be awarded as promptly as possible
6 after the opening of proposals. The proposal of the successful
7 proposer, as well as the bids of the unsuccessful proposers,
8 shall be placed on file and be open to public inspection
9 subject to the exemptions from disclosure provided under
10 Section 7 of the Freedom of Information Act. All proposals
11 shall be void if any disclosure of the terms of any proposals
12 in response to an advertisement is made or permitted to be made
13 by the Authority before the time fixed for opening proposals.

14 (h) Notice of each and every contract that is offered,
15 including renegotiated contracts and change orders, shall be
16 published in an online bulletin. The online bulletin must
17 include at least the date first offered, the date submission of
18 offers is due, the location that offers are to be submitted to,
19 a brief purchase description, the method of source selection,
20 information of how to obtain a comprehensive purchase
21 description and any disclosure and contract forms, and
22 encouragement to prospective vendors to hire qualified
23 veterans, as defined by Section 45-67 of the Illinois
24 Procurement Code, and Illinois residents discharged from any
25 Illinois adult correctional center subject to Gaming Board
26 licensing and eligibility rules. Notice of each and every

1 contract that is let or awarded, including renegotiated
2 contracts and change orders, shall be published in the online
3 bulletin and must include at least all of the information
4 specified in this subsection (h), as well as the name of the
5 successful responsible proposer or offeror, the contract
6 price, and the number of unsuccessful responsive proposers and
7 any other disclosure specified in this Section. This notice
8 must be posted in the online electronic bulletin prior to
9 execution of the contract.

10 Section 1-130. Affirmative action and equal opportunity
11 obligations of Authority.

12 (a) The Authority is subject to the requirements of Article
13 IV of Chapter 2-92 (Sections 2-92-650 through 2-92-720
14 inclusive) of the Chicago Municipal Code, as now or hereafter
15 amended, renumbered, or succeeded, concerning a Minority-Owned
16 and Women-Owned Business Enterprise Procurement Program for
17 construction contracts, and Section 2-92-420 et seq. of the
18 Chicago Municipal Code, as now or hereafter amended,
19 renumbered, or succeeded, concerning a Minority-Owned and
20 Women-Owned Business Enterprise Procurement Program to
21 determine the status of a firm as a Minority Business
22 Enterprise for city procurement purposes.

23 (b) The Authority is authorized to enter into agreements
24 with contractors' associations, labor unions, and the
25 contractors working on the development of the casino to

1 establish an apprenticeship preparedness training program to
2 provide for an increase in the number of minority and female
3 journeymen and apprentices in the building trades and to enter
4 into agreements with community college districts or other
5 public or private institutions to provide readiness training.
6 The Authority is further authorized to enter into contracts
7 with public and private educational institutions and persons in
8 the gaming, entertainment, hospitality, and tourism industries
9 to provide training for employment in those industries.

10 Section 1-140. Home rule. The regulation and licensing of
11 casinos and casino gaming, casino gaming facilities, and casino
12 operator licensees under this Act are exclusive powers and
13 functions of the State. A home rule unit may not regulate or
14 license casinos, casino gaming, casino gaming facilities, or
15 casino operator licensees under this Act, except as provided
16 under this Act. This Section is a denial and limitation of home
17 rule powers and functions under subsection (h) of Section 6 of
18 Article VII of the Illinois Constitution.

19 ARTICLE 10.

20 Section 10-1. Short title. This Article may be cited as the
21 Illinois State Fairgrounds Racetrack Authority Act. References
22 in this Article to "this Act" mean this Article.

1 Section 10-5. Definitions. As used in this Act:

2 "Authority" means the Illinois State Fairgrounds Racetrack
3 Authority created by this Act.

4 "Racing contractor" means any person or entity selected by
5 the Authority and approved by the Illinois Racing Board to
6 manage and operate the race meets and racing facility within
7 the Illinois State Fairgrounds pursuant to a contract.

8 "Executive director" means the person appointed by the
9 Board to oversee the daily operations of the Authority.

10 Section 10-10. Creation of the Authority. There is hereby
11 created a political subdivision, unit of local government with
12 only the powers authorized by law, body politic, and municipal
13 corporation, by the name and style of the Illinois State
14 Fairgrounds Racetrack Authority.

15 Section 10-15. Duties of the Authority. It shall be the
16 duty of the Authority to promote, operate, and maintain horse
17 racing operations through a racing contractor in the Illinois
18 State Fairgrounds as provided in this Act. The Authority shall
19 equip and maintain the fairgrounds and its buildings and
20 facilities for that purpose. The Authority has the right to
21 contract with a racing contractor and other third parties in
22 order to fulfill its purpose. The Authority is granted all
23 rights and powers necessary to perform such duties.

1 Section 10-20. Board.

2 (a) The governing and administrative powers of the
3 Authority is vested in a body consisting of 11 members: 3 of
4 whom shall be appointed by the Chairman of the Sangamon County
5 Board with the advice and consent of the Sangamon County Board,
6 one of whom is appointed for an initial term of one year, one
7 of whom is appointed for an initial term of 2 years, and one of
8 whom is appointed for an initial term of 3 years; 2 of whom
9 shall be appointed by the Mayor of the City of Springfield with
10 the advice and consent of the city council, one of whom is
11 appointed for an initial term of one year and one of whom is
12 appointed for an initial term of 2 years; 3 of whom shall be
13 appointed by the Director of the Department of Agriculture, one
14 of whom is appointed for an initial term of one year, one of
15 whom is appointed for an initial term of 2 years, and one of
16 whom is appointed for an initial term of 3 years; 2 of whom
17 shall be appointed by the Illinois Standardbred Breeders Fund
18 Advisory Board, one of whom is appointed for an initial term of
19 one year and one of whom is appointed or an initial term of 2
20 years; and one of whom shall be appointed by the horsemen's
21 association representing the largest number of standardbred
22 owners, breeders, and trainers, who is appointed for an initial
23 term of one year. All appointees shall be subject to approval
24 by the Illinois Racing Board. The Chairman of the Authority
25 shall be elected annually by the Board.

26 (b) All successors shall hold office for a term of 5 years,

1 except in the case of an appointment to fill a vacancy. Each
2 member, including the chairperson, shall hold office until the
3 expiration of his or her term and until his or her successor is
4 appointed and qualified. Nothing shall preclude a member from
5 serving consecutive terms. Any member may resign from office,
6 to take effect when a successor has been appointed and
7 qualified. A vacancy in office shall occur in the case of a
8 member's death or indictment, conviction, or plea of guilty to
9 a felony. A vacancy shall be filled for the unexpired term with
10 the approval of the Illinois Racing Board.

11 (c) The appointing officer or the Illinois Racing Board may
12 remove any member of the Board upon a finding of incompetence,
13 neglect of duty, or misfeasance or malfeasance in office or for
14 a violation of this Act. The Illinois Racing Board may remove
15 any member of the Board for any violation of the Illinois Horse
16 Racing Act of 1975 or the rules and regulations of the Illinois
17 Racing Board.

18 (d) Board members shall receive \$300 for each day it meets
19 and shall be entitled to reimbursement of reasonable expenses
20 incurred in the performance of their official duties. A Board
21 member who serves in the office of secretary-treasurer may also
22 receive compensation for services provided as that officer.

23 (e) The Board shall prescribe the time and place for
24 meetings, the manner in which special meetings may be called,
25 and the notice that must be given to members. All actions and
26 meetings of the Board shall be subject to the provisions of the

1 Open Meetings Act. Six members of the Board shall constitute a
2 quorum. All substantive action of the Board shall be by
3 resolution with an affirmative vote of a majority of the
4 members.

5 Section 10-25. Executive director; officers.

6 (a) The Authority shall appoint an executive director,
7 after the completion of a background investigation and approval
8 by the Illinois Racing Board, who shall be the chief executive
9 officer of the Authority. The Board shall fix the compensation
10 of the executive director. Subject to the general control of
11 the Board, the executive director shall be responsible for the
12 management of the business, properties, and employees of the
13 Authority. The executive director shall direct the enforcement
14 of all resolutions, rules, and regulations of the Board, and
15 shall perform such other duties as may be prescribed from time
16 to time by the Board. All employees and independent
17 contractors, consultants, engineers, architects, accountants,
18 attorneys, financial experts, construction experts and
19 personnel, superintendents, managers, and other personnel
20 appointed or employed pursuant to this Act shall report to the
21 executive director. In addition to any other duties set forth
22 in this Act, the executive director shall do all of the
23 following:

24 (1) Direct and supervise the administrative affairs
25 and activities of the Authority in accordance with its

1 rules, regulations, and policies.

2 (2) Attend meetings of the Board.

3 (3) Keep minutes of all proceedings of the Board.

4 (4) Approve all accounts for salaries, per diem
5 payments, and allowable expenses of the Board and its
6 employees and consultants.

7 (5) Report and make recommendations to the Board
8 concerning the terms and conditions of any contract with a
9 horse racing contractor.

10 (6) Perform any other duty that the Board requires for
11 carrying out the provisions of this Act.

12 (7) Devote his or her full time to the duties of the
13 office and not hold any other office or employment.

14 (b) The Board may select a secretary-treasurer to hold
15 office at the pleasure of the Board. The Board shall fix the
16 duties of such officer.

17 Section 10-30. General rights and powers of the Authority.
18 In addition to the duties and powers set forth in this Act, the
19 Authority shall have the following rights and powers:

20 (1) Transition the conduct of horse racing at the
21 Illinois State Fairgrounds from an annual race meeting that
22 is contained within the duration of the Illinois State Fair
23 to an annual standardbred race meeting that lasts from 3 to
24 9 months, depending on funding and market conditions.

25 (2) Adopt and alter an official seal.

1 (3) Establish and change its fiscal year.

2 (4) Sue and be sued, plead and be impleaded, all in its
3 own name, and agree to binding arbitration of any dispute
4 to which it is a party.

5 (5) Adopt, amend, and repeal by-laws, rules, and
6 regulations consistent with the furtherance of the powers
7 and duties provided for.

8 (6) Maintain its principal office and such other
9 offices as the Board may designate.

10 (7) Conduct background investigations of potential
11 racing contractors, including its principals or
12 shareholders, and Authority staff.

13 (8) Employ, either as regular employees or independent
14 contractors, consultants, engineers, architects,
15 accountants, attorneys, financial experts, construction
16 experts and personnel, superintendents, managers and other
17 professional personnel, and such other personnel as may be
18 necessary in the judgment of the Board, and fix their
19 compensation.

20 (9) Operate and maintain grounds, buildings, and
21 facilities to carry out its corporate purposes and duties.

22 (10) Enter into, revoke, and modify contracts.

23 (11) Enter into a contract with a racing contractor.

24 (12) Develop, or cause to be developed by a third
25 party, a master plan for development of horse racing at the
26 Illinois State Fairgrounds.

1 (13) Negotiate and enter into intergovernmental
2 agreements with the State and its agencies and units of
3 local government in furtherance of the powers and duties of
4 the Board, including with the Department of Agriculture for
5 the use of facilities in compliance with the State Fair
6 Act.

7 (14) Receive and disburse funds for its own corporate
8 purposes or as otherwise specified in this Act.

9 (15) Borrow money from any source, public or private,
10 for any corporate purpose, including, without limitation,
11 working capital for its operations, reserve funds, or
12 payment of interest, and to mortgage, pledge, or otherwise
13 encumber the property or funds of the Authority and to
14 contract with or engage the services of any person in
15 connection with any financing, including financial
16 institutions, issuers of letters of credit, or insurers and
17 enter into reimbursement agreements with this person or
18 entity which may be secured as if money were borrowed from
19 the person or entity.

20 (16) Receive and accept from any source, private or
21 public, contributions, gifts, or grants of money or
22 property to the Authority.

23 (17) Provide for the insurance of any property,
24 operations, officers, members, agents, or employees of the
25 Authority against any risk or hazard, to self-insure or
26 participate in joint self-insurance pools or entities to

1 insure against such risk or hazard, and to provide for the
2 indemnification of its officers, members, employees,
3 contractors, or agents against any and all risks.

4 (18) Exercise all the corporate powers granted
5 Illinois corporations under the Business Corporation Act
6 of 1983, except to the extent that powers are inconsistent
7 with those of a body politic and corporate of the State.

8 (19) Do all things necessary or convenient to carry out
9 the powers granted by this Act.

10 Section 10-32. Ethical conduct.

11 (a) Board members and employees of the Authority must carry
12 out their duties and responsibilities in such a manner as to
13 promote and preserve public trust and confidence in the
14 integrity and conduct of gaming.

15 (b) Except as may be required in the conduct of official
16 duties, Board members and employees of the Authority shall not
17 engage in gambling on any riverboat, in any casino, or in an
18 electronic gaming facility licensed by the Illinois Gaming
19 Board or engage in legalized gambling in any establishment
20 identified by Board action that, in the judgment of the Board,
21 could represent a potential for a conflict of interest.

22 (c) A Board member or employee of the Authority shall not
23 use or attempt to use his or her official position to secure or
24 attempt to secure any privilege, advantage, favor, or influence
25 for himself or herself or others.

1 (d) Board members and employees of the Authority shall not
2 hold or pursue employment, office, position, business, or
3 occupation that may conflict with his or her official duties.
4 Employees may engage in other gainful employment so long as
5 that employment does not interfere or conflict with their
6 duties. Such employment must be disclosed to the executive
7 director and approved by the Board.

8 (e) Board members and employees of the Authority may not
9 engage in employment, communications, or any activity that may
10 be deemed a conflict of interest. This prohibition shall extend
11 to any act identified by Board action or Gaming Board action
12 that, in the judgment of either entity, could represent the
13 potential for or the appearance of a conflict of interest.

14 (f) Board members and employees of the Authority may not
15 have a financial interest, directly or indirectly, in his or
16 her own name or in the name of any other person, partnership,
17 association, trust, corporation, or other entity in any
18 contract or subcontract for the performance of any work for the
19 Authority. This prohibition shall extend to the holding or
20 acquisition of an interest in any entity identified by Board
21 action or Gaming Board action that, in the judgment of either
22 entity, could represent the potential for or the appearance of
23 a financial interest. The holding or acquisition of an interest
24 in such entities through an indirect means, such as through a
25 mutual fund, shall not be prohibited, except that the Gaming
26 Board may identify specific investments or funds that, in its

1 judgment, are so influenced by gaming holdings as to represent
2 the potential for or the appearance of a conflict of interest.

3 (g) Board members and employees of the Authority may not
4 accept any gift, gratuity, service, compensation, travel,
5 lodging, or thing of value, with the exception of unsolicited
6 items of an incidental nature, from any person, corporation, or
7 entity doing business with the Authority.

8 (h) No Board member or employee of the Authority may,
9 during employment or within a period of 2 years immediately
10 after termination of employment, knowingly accept employment
11 or receive compensation or fees for services from a person or
12 entity, or its parent or affiliate, that has engaged in
13 business with the Authority that resulted in contracts with an
14 aggregate value of at least \$25,000 or if that Board member or
15 employee has made a decision that directly applied to the
16 person or entity, or its parent or affiliate.

17 (i) A spouse, child, or parent of a Board member or
18 employee of the Authority may not have a financial interest,
19 directly or indirectly, in his or her own name or in the name
20 of any other person, partnership, association, trust,
21 corporation, or other entity in any contract or subcontract for
22 the performance of any work for the Authority. This prohibition
23 shall extend to the holding or acquisition of an interest in
24 any entity identified by Board action or Gaming Board action
25 that, in the judgment of either entity, could represent the
26 potential for or the appearance of a conflict of interest. The

1 holding or acquisition of an interest in such entities through
2 an indirect means, such as through a mutual fund, shall not be
3 prohibited, except that the Gaming Board may identify specific
4 investments or funds that, in its judgment, are so influenced
5 by gaming holdings as to represent the potential for or the
6 appearance of a conflict of interest.

7 (j) A spouse, child, or parent of a Board member or
8 employee of the Authority may not accept any gift, gratuity,
9 service, compensation, travel, lodging, or thing of value, with
10 the exception of unsolicited items of an incidental nature,
11 from any person, corporation, or entity doing business with the
12 Authority.

13 (k) A spouse, child, or parent of a Board member or
14 employee of the Authority may not, while the person is a Board
15 member or employee of the spouse or within a period of 2 years
16 immediately after termination of employment, knowingly accept
17 employment or receive compensation or fees for services from a
18 person or entity, or its parent or affiliate, that has engaged
19 in business with the Authority that resulted in contracts with
20 an aggregate value of at least \$25,000 or if that Board member
21 or employee has made a decision that directly applied to the
22 person or entity, or its parent or affiliate.

23 (l) No Board member or employee of the Authority may
24 attempt, in any way, to influence any person or corporation
25 doing business with the Authority or any officer, agent, or
26 employee thereof to hire or contract with any person or

1 corporation for any compensated work.

2 (m) Any communication between an elected official of the
3 City of Springfield or Sangamon County and a potential racing
4 contractor, or an officer, director, or employee thereof,
5 concerning any manner relating in any way to gaming or the
6 Authority shall be disclosed to the Board and the Gaming Board.
7 Such disclosure shall be in writing by the official within 30
8 days after the communication and shall be filed with the Board.
9 Disclosure must consist of the date of the communication, the
10 identity and job title of the person with whom the
11 communication was made, a brief summary of the communication,
12 the action requested or recommended, all responses made, the
13 identity and job title of the person making the response, and
14 any other pertinent information.

15 Public disclosure of the written summary provided to the
16 Board and the Gaming Board shall be subject to the exemptions
17 provided under Section 7 of the Freedom of Information Act.

18 (n) Any Board member or employee of the Authority who
19 violates any provision of this Section is guilty of a Class 4
20 felony.

21 Section 10-35. Contracts with racing contractors.

22 (a) The Board shall develop and administer a competitive
23 sealed bidding process for the selection of a potential racing
24 contractor to develop or operate horse racing at the Illinois
25 State Fairgrounds. The Board shall issue one or more requests

1 for proposals. The Board may establish minimum financial and
2 investment requirements to determine the eligibility of
3 persons to respond to the Board's requests for proposal, and
4 may establish and consider such other criteria as it deems
5 appropriate. The Board may impose a fee upon persons who
6 respond to requests for proposal, in order to reimburse the
7 Board for its costs in preparing and issuing the requests and
8 reviewing the proposals.

9 (b) The Board may enter into contracts for the development
10 of horse racing at the Illinois State Fairgrounds, provided
11 that no such contract shall encumber the Department of
12 Agriculture.

13 (c) Within 5 days after the time limit for submitting bids
14 and proposals has passed, the Board shall make all bids and
15 proposals public. Thereafter, the Board shall evaluate the
16 responses to its requests for proposal and the ability of all
17 persons or entities responding to its request for proposal to
18 meet the requirements of this Act and to undertake and perform
19 the obligations set forth in its requests for proposal.

20 (d) After reviewing proposals and subject to approval by
21 the Illinois Racing Board, the Board shall enter into a
22 contract. If the Illinois Racing Board approves the contract,
23 the Board shall transmit a copy of the executed contract to the
24 Illinois Racing Board.

25 Section 10-37. Applicability of the Illinois Horse Racing

1 Act of 1975. The Authority and its racing contractor are
2 subject to the Illinois Horse Racing Act of 1975 and all of the
3 rules of the Illinois Racing Board.

4 Section 10-40. Transfer of funds. The revenues received by
5 the Authority (other than amounts required to be paid pursuant
6 to the Illinois Horse Racing Act of 1975 and amounts required
7 to pay the operating expenses of the Authority, to pay amounts
8 due the racing contractor pursuant to a contract, and to repay
9 any borrowing of the Authority made pursuant to Section 30)
10 shall be distributed as follows: 50% shall be paid to the
11 Department of Agriculture for deposit into the State
12 Fairgrounds Infrastructure Improvement Fund and 50% shall be
13 paid into the Future of Agriculture Fund.

14 Section 10-45. Jurisdiction over property. The Authority
15 shall have concurrent jurisdiction with the Department of
16 Agriculture over all of the real estate of the Illinois State
17 Fairgrounds that is used for horse racing, including those
18 facilities commonly known as "one-mile track" and adjacent
19 backstretch infrastructure; however, when it is necessary to
20 have controlling jurisdiction over the operation of the
21 property to obey a mandate of the Illinois Racing Board, the
22 Authority shall have controlling jurisdiction, except that no
23 such compliance by the Authority to any mandate imposed by the
24 Racing Board shall impose any budgetary expense upon the

1 Department of Agriculture. No substantial changes may be made
2 to the infrastructure of the Illinois State Fairgrounds unless
3 the Director of Agriculture grants affirmative approval for the
4 changes.

5 Section 10-50. Budgets and reporting.

6 (a) The Board shall annually adopt a budget for each fiscal
7 year. The budget may be modified from time to time in the same
8 manner and upon the same vote as it may be adopted. The budget
9 shall include the Authority's available funds and estimated
10 revenues and shall provide for payment of its obligations and
11 estimated expenditures for the fiscal year, including, without
12 limitation, expenditures for administration, operation,
13 maintenance and repairs, debt service, and deposits into
14 reserve and other funds and capital projects.

15 (b) The Board shall annually cause the finances of the
16 Authority to be audited by a firm of certified public
17 accountants and post the firm's audits of the Authority on the
18 Authority's Internet website. The Auditor General has the
19 authority and is required to conduct a financial and management
20 audit of the Authority every 2 years. The Auditor General's
21 audits must be posted on his or her Internet website. The
22 Auditor General shall submit a bill to the Authority for costs
23 associated with the audits required under this Section. The
24 Authority shall reimburse in a timely manner.

25 (c) The Board shall, for each fiscal year, prepare an

1 annual report setting forth information concerning its
2 activities in the fiscal year. The annual report shall include
3 the audited financial statements of the Authority for the
4 fiscal year, the budget for the succeeding fiscal year, and the
5 current capital plan as of the date of the report. Copies of
6 the annual report shall be made available to persons who
7 request them and shall be submitted not later than 120 days
8 after the end of the Authority's fiscal year to the Governor,
9 the Mayor, the General Assembly, and the Commission on
10 Government Forecasting and Accountability.

11 Section 10-55. Deposit and withdrawal of funds.

12 (a) All funds deposited by the Authority in any bank or
13 savings and loan association shall be placed in the name of the
14 Authority and shall be withdrawn or paid out only by check or
15 draft upon the bank or savings and loan association, signed by
16 2 officers or employees designated by the Board.
17 Notwithstanding any other provision of this Section, the Board
18 may designate any of its members or any officer or employee of
19 the Authority to authorize the wire transfer of funds deposited
20 by the secretary-treasurer of funds in a bank or savings and
21 loan association for the payment of payroll and employee
22 benefits-related expenses.

23 No bank or savings and loan association shall receive
24 public funds as permitted by this Section unless it has
25 complied with the requirements established pursuant to Section

1 6 of the Public Funds Investment Act.

2 (b) If any officer or employee whose signature appears upon
3 any check or draft issued pursuant to this Act ceases (after
4 attaching his signature) to hold his or her office before the
5 delivery of such a check or draft to the payee, his or her
6 signature shall nevertheless be valid and sufficient for all
7 purposes with the same effect as if he or she had remained in
8 office until delivery thereof.

9 Section 10-60. Contracts with the Authority; disclosure
10 requirements.

11 (a) A bidder, offeror, or contractor must disclose the
12 names of all officers and directors. A bidder, offeror, or
13 contractor for contracts with the Authority shall disclose the
14 identity of every owner, beneficiary, or person with beneficial
15 interest of more than 1%, or shareholder entitled to receive
16 more than 1% of the total distributable income of any
17 corporation, having any interest in the contract in the bidder,
18 offeror, or contractor. The disclosure shall be in writing and
19 attested to by an owner, trustee, corporate official, or agent.
20 If stock in a corporation is publicly traded and there is no
21 readily known individual having greater than a 1% interest,
22 then a statement to that effect attested to by an officer or
23 agent of the corporation shall fulfill the disclosure statement
24 requirement of this Section. A bidder, offeror, or contractor
25 shall notify the Authority of any changes in officers,

1 directors, ownership, or individuals having a beneficial
2 interest of more than 1%.

3 (b) A bidder, offeror, or contractor for contracts with an
4 annual value of \$10,000 or for a period to exceed one year
5 shall disclose all political contributions of the bidder,
6 offeror, or contractor and any affiliated person or entity.
7 Disclosure shall include at least the names and addresses of
8 the contributors and the dollar amounts of any contributions to
9 any political committee made within the previous 2 years.

10 (c) As used in this Section:

11 "Contribution" means contribution as defined in Section
12 9-1.4 of the Election Code.

13 "Affiliated person" means (i) any person with any ownership
14 interest or distributive share of the bidding or contracting
15 entity in excess of 1%, (ii) executive employees of the bidding
16 or contracting entity, and (iii) the spouse and minor children
17 of any such persons.

18 "Affiliated entity" means (i) any parent or subsidiary of
19 the bidding or contracting entity, (ii) any member of the same
20 unitary business group, or (iii) any political committee for
21 which the bidding or contracting entity is the sponsoring
22 entity.

23 (d) The Illinois Racing Board may direct the Authority to
24 void a contract if a violation of this Section occurs.

25 Section 10-65. Purchasing.

1 (a) All construction contracts and contracts for supplies,
2 materials, equipment, and services, when the cost thereof to
3 the Authority exceeds \$25,000, shall be let to the lowest
4 responsible bidder, after advertising for bids, except for the
5 following:

6 (1) When repair parts, accessories, equipment, or
7 services are required for equipment or services previously
8 furnished or contracted for;

9 (2) Professional services;

10 (3) When services such as water, light, heat, power,
11 telephone (other than long-distance service), or telegraph
12 are required;

13 (4) When contracts for the use, purchase, delivery,
14 movement, or installation of data processing equipment,
15 software, or services and telecommunications equipment,
16 software, and services are required;

17 (5) Contracts with a racing contractor, which shall be
18 awarded as set forth in Section 35 of this Act.

19 (b) All contracts involving less than \$25,000 shall be let
20 by competitive bidding whenever possible, and in any event in a
21 manner calculated to ensure the best interests of the public.

22 (c) In determining the responsibility of any bidder, the
23 Authority may take into account the bidder's (or an individual
24 having a beneficial interest, directly or indirectly, of more
25 than 1% in such bidding entity) past record of dealings with
26 the Authority, the bidder's experience, adequacy of equipment,

1 and ability to complete performance within the time set, and
2 other factors besides financial responsibility. No such
3 contract shall be awarded to any bidder other than the lowest
4 bidder (in case of purchase or expenditure) unless authorized
5 or approved by a vote of at least 4 members of the Board and
6 such action is accompanied by a written statement setting forth
7 the reasons for not awarding the contract to the highest or
8 lowest bidder, as the case may be. The statement shall be kept
9 on file in the principal office of the Authority and open to
10 public inspection.

11 (d) The Authority shall have the right to reject all bids
12 and to re-advertise for bids. If after any such
13 re-advertisement, no responsible and satisfactory bid, within
14 the terms of the re-advertisement, is received, the Authority
15 may award such contract without competitive bidding, provided
16 that the Illinois Racing Board must approve the contract prior
17 to its execution. The contract must not be less advantageous to
18 the Authority than any valid bid received pursuant to
19 advertisement.

20 (e) Advertisements for bids and re-bids shall be published
21 at least once in a daily newspaper of general circulation
22 published in the City of Springfield at least 10 calendar days
23 before the time for receiving bids, and such advertisements
24 shall also be posted on readily accessible bulletin boards in
25 the principal office of the Authority. Such advertisements
26 shall state the time and place for receiving and opening of

1 bids and, by reference to plans and specifications on file at
2 the time of the first publication or in the advertisement
3 itself, shall describe the character of the proposed contract
4 in sufficient detail to fully advise prospective bidders of
5 their obligations and to ensure free and open competitive
6 bidding.

7 (f) All bids in response to advertisements shall be sealed
8 and shall be publicly opened by the Authority. All bidders
9 shall be entitled to be present in person or by
10 representatives. Cash or a certified or satisfactory cashier's
11 check, as a deposit of good faith, in a reasonable amount to be
12 fixed by the Authority before advertising for bids, shall be
13 required with the proposal of each bidder. A bond for faithful
14 performance of the contract with surety or sureties
15 satisfactory to the Authority and adequate insurance may be
16 required in reasonable amounts to be fixed by the Authority
17 before advertising for bids.

18 (g) The contract shall be awarded as promptly as possible
19 after the opening of bids. The bid of the successful bidder, as
20 well as the bids of the unsuccessful bidders, shall be placed
21 on file and be open to public inspection. All bids shall be
22 void if any disclosure of the terms of any bid in response to
23 an advertisement is made or permitted to be made by the
24 Authority before the time fixed for opening bids.

25 (h) Notice of each and every contract that is offered,
26 including renegotiated contracts and change orders, shall be

1 published in an online bulletin. The online bulletin must
2 include at least the date first offered, the date submission of
3 offers is due, the location that offers are to be submitted to,
4 a brief purchase description, the method of source selection,
5 information of how to obtain a comprehensive purchase
6 description and any disclosure and contract forms, and
7 encouragement to prospective vendors to hire qualified
8 veterans, as defined by Section 45-67 of the Illinois
9 Procurement Code, and Illinois residents discharged from any
10 Illinois adult correctional center. Notice of each and every
11 contract that is let or awarded, including renegotiated
12 contracts and change orders, shall be published in the online
13 bulletin and must include at least all of the information
14 specified in this item (j), as well as the name of the
15 successful responsible bidder or offeror, the contract price,
16 and the number of unsuccessful responsive bidders and any other
17 disclosure specified in this Section. This notice must be
18 posted in the online electronic bulletin prior to execution of
19 the contract.

20

ARTICLE 90.

21 Section 90-1. Findings. The General Assembly makes all of
22 the following findings:

23 (1) That more than 50 municipalities and 5 counties
24 have opted out of video gaming legislation that was enacted

1 by the 96th General Assembly as Public Act 96-34, and
2 revenues for the State's newly approved capital
3 construction program are on track to fall short of
4 projections.

5 (2) That these shortfalls could postpone much-needed
6 road construction, school construction, and other
7 infrastructure improvements.

8 (3) That the State likely will wait a year or more,
9 until video gaming is licensed, organized, and online, to
10 realize meaningful revenue from the program.

11 (4) That a significant infusion of new revenue is
12 necessary to ensure that those projects, which are
13 fundamental to the State's economic recovery, proceed as
14 planned.

15 (5) That the decline of the Illinois horse racing and
16 breeding program, a \$2.5 billion industry, would be
17 reversed if this amendatory Act of the 97th General
18 Assembly would be enacted.

19 (6) That the Illinois horse racing industry is on the
20 verge of extinction due to fierce competition from fully
21 developed horse racing and gaming operations in other
22 states.

23 (7) That Illinois lawmakers agreed in 1999 to earmark
24 15% of the forthcoming 10th casino's revenue for horse
25 racing; the State's horse racing industry has never seen a
26 penny of that revenue because the 10th casino has yet to

1 open.

2 (8) That allowing the State's horse racing venues,
3 currently licensed gaming destinations, to maximize their
4 capacities with gaming machines, would generate up to \$120
5 million to \$200 million for the State in the form of extra
6 licensing fees, plus an additional \$100 million to \$300
7 million in recurring annual tax revenue for the State to
8 help ensure that school, road, and other building projects
9 promised under the capital plan occur on schedule.

10 (9) That Illinois agriculture and other businesses
11 that support and supply the horse racing industry, already
12 a sector that employs over 37,000 Illinoisans, also stand
13 to substantially benefit and would be much more likely to
14 create additional jobs should Illinois horse racing once
15 again become competitive with other states.

16 (10) That by keeping these projects on track, the State
17 can be sure that significant job and economic growth will
18 in fact result from the previously enacted legislation.

19 (11) That gaming machines at Illinois horse racing
20 tracks would create an estimated 1,200 to 1,500 permanent
21 jobs, and an estimated capital investment of up to \$200
22 million to \$400 million at these race tracks would prompt
23 additional trade organization jobs necessary to construct
24 new facilities or remodel race tracks to operate electronic
25 gaming.

1 Section 90-3. The State Officials and Employees Ethics Act
2 is amended by changing Section 5-45 as follows:

3 (5 ILCS 430/5-45)

4 Sec. 5-45. Procurement; revolving door prohibition.

5 (a) No former officer, member, or State employee, or spouse
6 or immediate family member living with such person, shall,
7 within a period of one year immediately after termination of
8 State employment, knowingly accept employment or receive
9 compensation or fees for services from a person or entity if
10 the officer, member, or State employee, during the year
11 immediately preceding termination of State employment,
12 participated personally and substantially in the award of State
13 contracts, or the issuance of State contract change orders,
14 with a cumulative value of \$25,000 or more to the person or
15 entity, or its parent or subsidiary.

16 (b) No former officer of the executive branch or State
17 employee of the executive branch with regulatory or licensing
18 authority, or spouse or immediate family member living with
19 such person, shall, within a period of one year immediately
20 after termination of State employment, knowingly accept
21 employment or receive compensation or fees for services from a
22 person or entity if the officer or State employee, during the
23 year immediately preceding termination of State employment,
24 participated personally and substantially in making a
25 regulatory or licensing decision that directly applied to the

1 person or entity, or its parent or subsidiary.

2 (c) Within 6 months after the effective date of this
3 amendatory Act of the 96th General Assembly, each executive
4 branch constitutional officer and legislative leader, the
5 Auditor General, and the Joint Committee on Legislative Support
6 Services shall adopt a policy delineating which State positions
7 under his or her jurisdiction and control, by the nature of
8 their duties, may have the authority to participate personally
9 and substantially in the award of State contracts or in
10 regulatory or licensing decisions. The Governor shall adopt
11 such a policy for all State employees of the executive branch
12 not under the jurisdiction and control of any other executive
13 branch constitutional officer.

14 The policies required under subsection (c) of this Section
15 shall be filed with the appropriate ethics commission
16 established under this Act or, for the Auditor General, with
17 the Office of the Auditor General.

18 (d) Each Inspector General shall have the authority to
19 determine that additional State positions under his or her
20 jurisdiction, not otherwise subject to the policies required by
21 subsection (c) of this Section, are nonetheless subject to the
22 notification requirement of subsection (f) below due to their
23 involvement in the award of State contracts or in regulatory or
24 licensing decisions.

25 (e) The Joint Committee on Legislative Support Services,
26 the Auditor General, and each of the executive branch

1 constitutional officers and legislative leaders subject to
2 subsection (c) of this Section shall provide written
3 notification to all employees in positions subject to the
4 policies required by subsection (c) or a determination made
5 under subsection (d): (1) upon hiring, promotion, or transfer
6 into the relevant position; and (2) at the time the employee's
7 duties are changed in such a way as to qualify that employee.
8 An employee receiving notification must certify in writing that
9 the person was advised of the prohibition and the requirement
10 to notify the appropriate Inspector General in subsection (f).

11 (f) Any State employee in a position subject to the
12 policies required by subsection (c) or to a determination under
13 subsection (d), but who does not fall within the prohibition of
14 subsection (h) below, who is offered non-State employment
15 during State employment or within a period of one year
16 immediately after termination of State employment shall, prior
17 to accepting such non-State employment, notify the appropriate
18 Inspector General. Within 10 calendar days after receiving
19 notification from an employee in a position subject to the
20 policies required by subsection (c), such Inspector General
21 shall make a determination as to whether the State employee is
22 restricted from accepting such employment by subsection (a) or
23 (b). In making a determination, in addition to any other
24 relevant information, an Inspector General shall assess the
25 effect of the prospective employment or relationship upon
26 decisions referred to in subsections (a) and (b), based on the

1 totality of the participation by the former officer, member, or
2 State employee in those decisions. A determination by an
3 Inspector General must be in writing, signed and dated by the
4 Inspector General, and delivered to the subject of the
5 determination within 10 calendar days or the person is deemed
6 eligible for the employment opportunity. For purposes of this
7 subsection, "appropriate Inspector General" means (i) for
8 members and employees of the legislative branch, the
9 Legislative Inspector General; (ii) for the Auditor General and
10 employees of the Office of the Auditor General, the Inspector
11 General provided for in Section 30-5 of this Act; and (iii) for
12 executive branch officers and employees, the Inspector General
13 having jurisdiction over the officer or employee. Notice of any
14 determination of an Inspector General and of any such appeal
15 shall be given to the ultimate jurisdictional authority, the
16 Attorney General, and the Executive Ethics Commission.

17 (g) An Inspector General's determination regarding
18 restrictions under subsection (a) or (b) may be appealed to the
19 appropriate Ethics Commission by the person subject to the
20 decision or the Attorney General no later than the 10th
21 calendar day after the date of the determination.

22 On appeal, the Ethics Commission or Auditor General shall
23 seek, accept, and consider written public comments regarding a
24 determination. In deciding whether to uphold an Inspector
25 General's determination, the appropriate Ethics Commission or
26 Auditor General shall assess, in addition to any other relevant

1 information, the effect of the prospective employment or
2 relationship upon the decisions referred to in subsections (a)
3 and (b), based on the totality of the participation by the
4 former officer, member, or State employee in those decisions.
5 The Ethics Commission shall decide whether to uphold an
6 Inspector General's determination within 10 calendar days or
7 the person is deemed eligible for the employment opportunity.

8 (h) The following officers, members, or State employees
9 shall not, within a period of one year immediately after
10 termination of office or State employment, knowingly accept
11 employment or receive compensation or fees for services from a
12 person or entity if the person or entity or its parent or
13 subsidiary, during the year immediately preceding termination
14 of State employment, was a party to a State contract or
15 contracts with a cumulative value of \$25,000 or more involving
16 the officer, member, or State employee's State agency, or was
17 the subject of a regulatory or licensing decision involving the
18 officer, member, or State employee's State agency, regardless
19 of whether he or she participated personally and substantially
20 in the award of the State contract or contracts or the making
21 of the regulatory or licensing decision in question:

22 (1) members or officers;

23 (2) members of a commission or board created by the
24 Illinois Constitution;

25 (3) persons whose appointment to office is subject to
26 the advice and consent of the Senate;

1 (4) the head of a department, commission, board,
2 division, bureau, authority, or other administrative unit
3 within the government of this State;

4 (5) chief procurement officers, State purchasing
5 officers, and their designees whose duties are directly
6 related to State procurement; ~~and~~

7 (6) chiefs of staff, deputy chiefs of staff, associate
8 chiefs of staff, assistant chiefs of staff, and deputy
9 governors; ~~and~~

10 (7) employees of the Illinois Racing Board; and

11 (8) employees of the Illinois Gaming Board.

12 (Source: P.A. 96-555, eff. 8-18-09.)

13 Section 90-4. The State Fair Act is amended by changing
14 Sections 10 and 12 as follows:

15 (20 ILCS 210/10) (from Ch. 127, par. 1710)

16 Sec. 10. The Department may enter into contracts with other
17 government agencies to assist them in the operation of each
18 State Fair and the State Fairgrounds as well as the
19 requirements set forth in Section 9 of this Act.

20 The Department may cooperate with any other local, State or
21 federal agency in the furtherance of the intent of this Act.

22 The Department may receive and use any donation either from
23 the private or public sectors which is for betterment of each
24 State Fair and the State Fairgrounds.

1 All revenues from the operation and use of any facilities
2 of the Illinois State Fair at Springfield and the Springfield
3 State Fairgrounds, other than revenues from horse racing
4 conducted at the Springfield State Fairgrounds by the Illinois
5 State Fairgrounds Racetrack Authority, shall be deposited in
6 the Illinois State Fair Fund. All revenues from the operation
7 and use of any facilities of the DuQuoin State Fair and the
8 DuQuoin State Fairgrounds shall be deposited into the
9 Agricultural Premium Fund. All funds in the Illinois State Fair
10 Fund shall be used by the Department of Agriculture in
11 accordance with appropriation by the General Assembly for
12 operation of the Illinois State Fair.

13 (Source: P.A. 88-5.)

14 (20 ILCS 210/12) (from Ch. 127, par. 1712)

15 Sec. 12. The Department shall have the power to promulgate
16 rules and regulations, pursuant to the Illinois Administrative
17 Procedure Act, governing the holding of each State Fair, the
18 operation of the State Fairgrounds, ~~the conditions under which~~
19 ~~racing shall be permitted on the State Fairgrounds,~~ the policy
20 for policing the grounds, and such other reasonable rules and
21 regulations as are necessary to carry out the intent of the
22 Act. However, the Department shall not be required to
23 promulgate rules and regulations pursuant to the Illinois
24 Administrative Procedure Act concerning those operations
25 stated in subsections (b) and (c) of Section 6 of this Act.

1 Instead, the requirements set forth in subsections (b) and (c)
2 of Section 6 must be followed.

3 (Source: P.A. 93-1055, eff. 11-23-04.)

4 Section 90-5. The Alcoholism and Other Drug Abuse and
5 Dependency Act is amended by changing Section 5-20 as follows:

6 (20 ILCS 301/5-20)

7 Sec. 5-20. Compulsive gambling program.

8 (a) Subject to appropriation, the Department shall
9 establish a program for public education, research, and
10 training regarding problem and compulsive gambling and the
11 treatment and prevention of problem and compulsive gambling.
12 Subject to specific appropriation for these stated purposes,
13 the program must include all of the following:

14 (1) Establishment and maintenance of a toll-free "800"
15 telephone number to provide crisis counseling and referral
16 services to families experiencing difficulty as a result of
17 problem or compulsive gambling.

18 (2) Promotion of public awareness regarding the
19 recognition and prevention of problem and compulsive
20 gambling.

21 (3) Facilitation, through in-service training and
22 other means, of the availability of effective assistance
23 programs for problem and compulsive gamblers.

24 (4) Conducting studies to identify adults and

1 juveniles in this State who are, or who are at risk of
2 becoming, problem or compulsive gamblers.

3 (b) Subject to appropriation, the Department shall either
4 establish and maintain the program or contract with a private
5 or public entity for the establishment and maintenance of the
6 program. Subject to appropriation, either the Department or the
7 private or public entity shall implement the toll-free
8 telephone number, promote public awareness, and conduct
9 in-service training concerning problem and compulsive
10 gambling.

11 (c) Subject to appropriation, the Department shall produce
12 and supply the signs specified in Section 10.7 of the Illinois
13 Lottery Law, Section 34.1 of the Illinois Horse Racing Act of
14 1975, Section 4.3 of the Bingo License and Tax Act, Section 8.1
15 of the Charitable Games Act, and Section 13.1 of the Illinois
16 ~~Riverboat~~ Gambling Act.

17 (Source: P.A. 89-374, eff. 1-1-96; 89-626, eff. 8-9-96.)

18 Section 90-7. The Department of Commerce and Economic
19 Opportunity Law of the Civil Administrative Code of Illinois is
20 amended by adding Section 605-530 as follows:

21 (20 ILCS 605/605-530 new)

22 Sec. 605-530. The Depressed Communities Economic
23 Development Board.

24 (a) The Depressed Communities Economic Development Board

1 is created as an advisory board within the Department of
2 Commerce and Economic Opportunity. The Board shall consist of 8
3 members appointed by the Governor, 4 of whom are appointed to
4 serve an initial term of one year and 4 of whom are appointed
5 to serve an initial term of 2 years with one being designated
6 as chair of the Board at the time of appointment. The members
7 of the Board shall reflect the composition of the Illinois
8 population with regard to ethnic and racial composition.

9 After the initial terms, each member shall be appointed to
10 serve a term of 2 years and until his or her successor has been
11 appointed and assumes office. If a vacancy occurs in the Board
12 membership, then the vacancy shall be filled in the same manner
13 as the initial appointment. No member of the Board shall, at
14 the time of his or her appointment or within 2 years before the
15 appointment, hold elected office or be appointed to a State
16 board, commission, or agency. All Board members are subject to
17 the State Officials and Employees Ethics Act.

18 (b) Board members shall serve without compensation, but may
19 be reimbursed for their reasonable travel expenses from funds
20 available for that purpose. The Department of Commerce and
21 Economic Opportunity shall provide staff and administrative
22 support services to the Board.

23 (c) The Board must make recommendations, which must be
24 approved by a majority of the Board, to the Department of
25 Commerce and Economic Opportunity concerning the award of
26 grants from amounts appropriated to the Department from the

1 Depressed Communities Economic Development Fund, a special
2 fund created in the State treasury. The Department must make
3 grants to public or private entities submitting proposals to
4 the Board to revitalize an Illinois depressed community. Grants
5 may be used by these entities only for those purposes
6 conditioned with the grant. For the purposes of this subsection
7 (c), plans for revitalizing an Illinois depressed community
8 include plans intended to curb high levels of poverty,
9 unemployment, job and population loss, and general distress. An
10 Illinois depressed community is an area where the poverty rate,
11 as determined by using the most recent data released by the
12 United States Census Bureau, is at least 3% greater than the
13 State poverty rate as determined by using the most recent data
14 released by the United States Census Bureau.

15 Section 90-10. The Department of Revenue Law of the Civil
16 Administrative Code of Illinois is amended by changing Section
17 2505-305 as follows:

18 (20 ILCS 2505/2505-305) (was 20 ILCS 2505/39b15.1)

19 Sec. 2505-305. Investigators.

20 (a) The Department has the power to appoint investigators
21 to conduct all investigations, searches, seizures, arrests,
22 and other duties imposed under the provisions of any law
23 administered by the Department. Except as provided in
24 subsection (c), these investigators have and may exercise all

1 the powers of peace officers solely for the purpose of
2 enforcing taxing measures administered by the Department.

3 (b) The Director must authorize to each investigator
4 employed under this Section and to any other employee of the
5 Department exercising the powers of a peace officer a distinct
6 badge that, on its face, (i) clearly states that the badge is
7 authorized by the Department and (ii) contains a unique
8 identifying number. No other badge shall be authorized by the
9 Department.

10 (c) The Department may enter into agreements with the
11 Illinois Gaming Board providing that investigators appointed
12 under this Section shall exercise the peace officer powers set
13 forth in paragraph (20.6) of subsection (c) of Section 5 of the
14 Illinois Riverboat Gambling Act.

15 (Source: P.A. 96-37, eff. 7-13-09.)

16 Section 90-12. The Illinois State Auditing Act is amended
17 by changing Section 3-1 as follows:

18 (30 ILCS 5/3-1) (from Ch. 15, par. 303-1)

19 Sec. 3-1. Jurisdiction of Auditor General. The Auditor
20 General has jurisdiction over all State agencies to make post
21 audits and investigations authorized by or under this Act or
22 the Constitution.

23 The Auditor General has jurisdiction over local government
24 agencies and private agencies only:

1 (a) to make such post audits authorized by or under
2 this Act as are necessary and incidental to a post audit of
3 a State agency or of a program administered by a State
4 agency involving public funds of the State, but this
5 jurisdiction does not include any authority to review local
6 governmental agencies in the obligation, receipt,
7 expenditure or use of public funds of the State that are
8 granted without limitation or condition imposed by law,
9 other than the general limitation that such funds be used
10 for public purposes;

11 (b) to make investigations authorized by or under this
12 Act or the Constitution; and

13 (c) to make audits of the records of local government
14 agencies to verify actual costs of state-mandated programs
15 when directed to do so by the Legislative Audit Commission
16 at the request of the State Board of Appeals under the
17 State Mandates Act.

18 In addition to the foregoing, the Auditor General may
19 conduct an audit of the Metropolitan Pier and Exposition
20 Authority, the Regional Transportation Authority, the Suburban
21 Bus Division, the Commuter Rail Division and the Chicago
22 Transit Authority and any other subsidized carrier when
23 authorized by the Legislative Audit Commission. Such audit may
24 be a financial, management or program audit, or any combination
25 thereof.

26 The audit shall determine whether they are operating in

1 accordance with all applicable laws and regulations. Subject to
2 the limitations of this Act, the Legislative Audit Commission
3 may by resolution specify additional determinations to be
4 included in the scope of the audit.

5 In addition to the foregoing, the Auditor General must also
6 conduct a financial audit of the Illinois Sports Facilities
7 Authority's expenditures of public funds in connection with the
8 reconstruction, renovation, remodeling, extension, or
9 improvement of all or substantially all of any existing
10 "facility", as that term is defined in the Illinois Sports
11 Facilities Authority Act.

12 The Auditor General may also conduct an audit, when
13 authorized by the Legislative Audit Commission, of any hospital
14 which receives 10% or more of its gross revenues from payments
15 from the State of Illinois, Department of Healthcare and Family
16 Services (formerly Department of Public Aid), Medical
17 Assistance Program.

18 The Auditor General is authorized to conduct financial and
19 compliance audits of the Illinois Distance Learning Foundation
20 and the Illinois Conservation Foundation.

21 As soon as practical after the effective date of this
22 amendatory Act of 1995, the Auditor General shall conduct a
23 compliance and management audit of the City of Chicago and any
24 other entity with regard to the operation of Chicago O'Hare
25 International Airport, Chicago Midway Airport and Merrill C.
26 Meigs Field. The audit shall include, but not be limited to, an

1 examination of revenues, expenses, and transfers of funds;
2 purchasing and contracting policies and practices; staffing
3 levels; and hiring practices and procedures. When completed,
4 the audit required by this paragraph shall be distributed in
5 accordance with Section 3-14.

6 The Auditor General shall conduct a financial and
7 compliance and program audit of distributions from the
8 Municipal Economic Development Fund during the immediately
9 preceding calendar year pursuant to Section 8-403.1 of the
10 Public Utilities Act at no cost to the city, village, or
11 incorporated town that received the distributions.

12 The Auditor General must conduct an audit of the Health
13 Facilities and Services Review Board pursuant to Section 19.5
14 of the Illinois Health Facilities Planning Act.

15 The Auditor General must conduct an audit of the Chicago
16 Casino Development Authority pursuant to Section 1-60 of the
17 Chicago Casino Development Authority Act.

18 The Auditor General of the State of Illinois shall annually
19 conduct or cause to be conducted a financial and compliance
20 audit of the books and records of any county water commission
21 organized pursuant to the Water Commission Act of 1985 and
22 shall file a copy of the report of that audit with the Governor
23 and the Legislative Audit Commission. The filed audit shall be
24 open to the public for inspection. The cost of the audit shall
25 be charged to the county water commission in accordance with
26 Section 6z-27 of the State Finance Act. The county water

1 commission shall make available to the Auditor General its
2 books and records and any other documentation, whether in the
3 possession of its trustees or other parties, necessary to
4 conduct the audit required. These audit requirements apply only
5 through July 1, 2007.

6 The Auditor General must conduct audits of the Rend Lake
7 Conservancy District as provided in Section 25.5 of the River
8 Conservancy Districts Act.

9 The Auditor General must conduct financial audits of the
10 Southeastern Illinois Economic Development Authority as
11 provided in Section 70 of the Southeastern Illinois Economic
12 Development Authority Act.

13 The Auditor General shall conduct a compliance audit in
14 accordance with subsections (d) and (f) of Section 30 of the
15 Innovation Development and Economy Act.

16 (Source: P.A. 95-331, eff. 8-21-07; 96-31, eff. 6-30-09;
17 96-939, eff. 6-24-10.)

18 Section 90-15. The State Finance Act is amended by adding
19 Sections 5.786, 5.787, 5.788, 5.789, 5.790, 6z-79, 6z-87, 6z-88
20 and by changing Sections 6z-32 and 6z-77 as follows:

21 (30 ILCS 105/5.786 new)

22 Sec. 5.786. The State and County Fair Assistance Fund.

23 (30 ILCS 105/5.787 new)

1 Sec. 5.787. The Depressed Communities Economic Development
2 Fund.

3 (30 ILCS 105/5.788 new)

4 Sec. 5.788. The Gaming Facilities Fee Revenue Fund.

5 (30 ILCS 105/5.789 new)

6 Sec. 5.789. The Future of Agriculture Fund.

7 (30 ILCS 105/5.790 new)

8 Sec. 5.790. The State Fairgrounds Infrastructure
9 Improvement Fund.

10 (30 ILCS 105/6z-32)

11 Sec. 6z-32. Partners for Planning and Conservation.

12 (a) The Partners for Conservation Fund (formerly known as
13 the Conservation 2000 Fund) and the Partners for Conservation
14 Projects Fund (formerly known as the Conservation 2000 Projects
15 Fund) are created as special funds in the State Treasury. These
16 funds shall be used to establish a comprehensive program to
17 protect Illinois' natural resources through cooperative
18 partnerships between State government and public and private
19 landowners. Moneys in these Funds may be used, subject to
20 appropriation, by the Department of Natural Resources,
21 Environmental Protection Agency, and the Department of
22 Agriculture for purposes relating to natural resource

1 protection, planning, recreation, tourism, and compatible
2 agricultural and economic development activities. Without
3 limiting these general purposes, moneys in these Funds may be
4 used, subject to appropriation, for the following specific
5 purposes:

6 (1) To foster sustainable agriculture practices and
7 control soil erosion and sedimentation, including grants
8 to Soil and Water Conservation Districts for conservation
9 practice cost-share grants and for personnel, educational,
10 and administrative expenses.

11 (2) To establish and protect a system of ecosystems in
12 public and private ownership through conservation
13 easements, incentives to public and private landowners,
14 natural resource restoration and preservation, water
15 quality protection and improvement, land use and watershed
16 planning, technical assistance and grants, and land
17 acquisition provided these mechanisms are all voluntary on
18 the part of the landowner and do not involve the use of
19 eminent domain.

20 (3) To develop a systematic and long-term program to
21 effectively measure and monitor natural resources and
22 ecological conditions through investments in technology
23 and involvement of scientific experts.

24 (4) To initiate strategies to enhance, use, and
25 maintain Illinois' inland lakes through education,
26 technical assistance, research, and financial incentives.

1 (5) To partner with private landowners and with units
 2 of State, federal, and local government and with
 3 not-for-profit organizations in order to integrate State
 4 and federal programs with Illinois' natural resource
 5 protection and restoration efforts and to meet
 6 requirements to obtain federal and other funds for
 7 conservation or protection of natural resources.

8 (b) The State Comptroller and State Treasurer shall
 9 automatically transfer on the last day of each month, beginning
 10 on September 30, 1995 and ending on June 30, 2021, from the
 11 General Revenue Fund to the Partners for Conservation Fund, an
 12 amount equal to 1/10 of the amount set forth below in fiscal
 13 year 1996 and an amount equal to 1/12 of the amount set forth
 14 below in each of the other specified fiscal years:

Fiscal Year	Amount
1996	\$ 3,500,000
1997	\$ 9,000,000
1998	\$10,000,000
1999	\$11,000,000
2000	\$12,500,000
2001 through 2004	\$14,000,000
2005	\$7,000,000
2006	\$11,000,000
2007	\$0
2008 through 2021	\$14,000,000

26 (c) Notwithstanding any other provision of law to the

1 contrary and in addition to any other transfers that may be
2 provided for by law, on the last day of each month beginning on
3 July 31, 2006 and ending on June 30, 2007, or as soon
4 thereafter as may be practical, the State Comptroller shall
5 direct and the State Treasurer shall transfer \$1,000,000 from
6 the Open Space Lands Acquisition and Development Fund to the
7 Conservation 2000 Fund.

8 (d) There shall be deposited into the Partners for
9 Conservation Projects Fund such bond proceeds and other moneys
10 as may, from time to time, be provided by law.

11 (e) Revenues deposited into the Fund pursuant to subsection
12 (b-12) of Section 13 of the Illinois Gambling Act shall be used
13 solely for grants to soil and water conservation districts.
14 Such revenues shall supplement, and not supplant, other State
15 funding for soil and water conservation districts.

16 (Source: P.A. 94-91, eff. 7-1-05; 94-839, eff. 6-6-06; 95-139,
17 eff. 1-1-08.)

18 (30 ILCS 105/6z-77)

19 Sec. 6z-77. The Capital Projects Fund.

20 (a) The Capital Projects Fund is created as a special fund
21 in the State Treasury. The State Comptroller and State
22 Treasurer shall transfer from the Capital Projects Fund to the
23 General Revenue Fund \$61,294,550 on October 1, 2009,
24 \$122,589,100 on January 1, 2010, and \$61,294,550 on April 1,
25 2010. Beginning on July 1, 2010, and on July 1 and January 1 of

1 each year thereafter, the State Comptroller and State Treasurer
2 shall transfer the sum of \$122,589,100 from the Capital
3 Projects Fund to the General Revenue Fund.

4 (b) Subject to appropriation, the Capital Projects Fund may
5 be used only for capital projects and the payment of debt
6 service on bonds issued for capital projects. All interest
7 earned on moneys in the Fund shall be deposited into the Fund.
8 The Fund shall not be subject to administrative charges or
9 chargebacks, such as but not limited to those authorized under
10 Section 8h.

11 (c) Annually, the Governor's Office of Management and
12 Budget shall determine if revenues deposited into the Fund in
13 the fiscal year are expected to exceed the amount needed in the
14 fiscal year for capital projects and the payment of debt
15 service on bonds issued for capital projects. If any such
16 excess amount exists, then on April 1 or as soon thereafter as
17 practical, the Governor's Office of Management and Budget shall
18 certify such amount, accompanied by a description of the
19 process by which the amount was calculated, to the State
20 Comptroller and the State Treasurer. Within 15 days after the
21 receipt of the certification required by this subsection (c),
22 the State Comptroller and the State Treasurer shall transfer
23 that amount from the Capital Projects Fund to the Education
24 Assistance Fund, except that the amount transferred to the
25 Education Assistance Fund pursuant to this subsection (c) shall
26 not exceed the estimated amount of revenues that will be

1 deposited into the Fund pursuant to Sections 12 and 13 of the
2 Illinois Gambling Act in the fiscal year.

3 (Source: P.A. 96-34, eff. 7-13-09.)

4 (30 ILCS 105/6z-79 new)

5 Sec. 6z-79. The Gaming Facilities Fee Revenue Fund.

6 (a) The Gaming Facilities Fee Revenue Fund is created as a
7 special fund in the State treasury.

8 (b) The revenues in the Fund shall be used, subject to
9 appropriation, by the Comptroller solely for the purpose of
10 payment of vouchers that are outstanding for more than 60 days.
11 Whenever practical, the Comptroller must prioritize voucher
12 payments for expenses related to medical assistance under the
13 Illinois Public Aid Code, the Children's Health Insurance
14 Program Act, the Covering ALL KIDS Health Insurance Act, and
15 the Senior Citizens and Disabled Persons Property Tax Relief
16 and Pharmaceutical Assistance Act.

17 (c) The Fund shall consist of fee revenues received
18 pursuant to subsection (e) of Section 1-45 of the Chicago
19 Casino Development Authority Act and pursuant to subsections
20 (e-10), (e-15), (e-25), and (h-5) of Section 7 and subsections
21 (c) and (i) of Section 7.6 of the Illinois Gambling Act. All
22 interest earned on moneys in the Fund shall be deposited into
23 the Fund.

24 (d) The Fund shall not be subject to administrative charges
25 or chargebacks, including, but not limited to, those authorized

1 under subsection (h) of Section 8 of this Act.

2 (30 ILCS 105/6z-87 new)

3 Sec. 6z-87. The Future of Agriculture Fund. There is
4 created the Future of Agriculture Fund, a special fund in the
5 State treasury. Moneys in the Fund may be used by the
6 Department of Agriculture, subject to appropriation, solely
7 for grants to (1) county fairs, as defined by Section 2 of the
8 Agricultural Fair Act, (2) the Illinois Association FFA, and
9 (3) University of Illinois Extension 4-H programs. The Future
10 of Agriculture Fund is not subject to administrative
11 chargebacks, including, but not limited to, those authorized
12 under Section 8h of the State Finance Act.

13 (30 ILCS 105/6z-88 new)

14 Sec. 6z-88. The State Fairgrounds Infrastructure
15 Improvement Fund. There is created the State Fairgrounds
16 Infrastructure Improvement Fund, a special fund in the State
17 treasury. Moneys in the Fund may be used by the Department of
18 Agriculture, subject to appropriation, solely for
19 infrastructure improvements to the Illinois State Fairgrounds
20 in Sangamon County. The State Fairgrounds Infrastructure
21 Improvement Fund is not subject to administrative chargebacks,
22 including, but not limited to, those authorized under Section
23 8h of the State Finance Act.

1 Section 90-20. The Illinois Income Tax Act is amended by
2 changing Section 201 as follows:

3 (35 ILCS 5/201) (from Ch. 120, par. 2-201)

4 Sec. 201. Tax Imposed.

5 (a) In general. A tax measured by net income is hereby
6 imposed on every individual, corporation, trust and estate for
7 each taxable year ending after July 31, 1969 on the privilege
8 of earning or receiving income in or as a resident of this
9 State. Such tax shall be in addition to all other occupation or
10 privilege taxes imposed by this State or by any municipal
11 corporation or political subdivision thereof.

12 (b) Rates. The tax imposed by subsection (a) of this
13 Section shall be determined as follows, except as adjusted by
14 subsection (d-1):

15 (1) In the case of an individual, trust or estate, for
16 taxable years ending prior to July 1, 1989, an amount equal
17 to 2 1/2% of the taxpayer's net income for the taxable
18 year.

19 (2) In the case of an individual, trust or estate, for
20 taxable years beginning prior to July 1, 1989 and ending
21 after June 30, 1989, an amount equal to the sum of (i) 2
22 1/2% of the taxpayer's net income for the period prior to
23 July 1, 1989, as calculated under Section 202.3, and (ii)
24 3% of the taxpayer's net income for the period after June
25 30, 1989, as calculated under Section 202.3.

1 (3) In the case of an individual, trust or estate, for
2 taxable years beginning after June 30, 1989, and ending
3 prior to January 1, 2011, an amount equal to 3% of the
4 taxpayer's net income for the taxable year.

5 (4) In the case of an individual, trust, or estate, for
6 taxable years beginning prior to January 1, 2011, and
7 ending after December 31, 2010, an amount equal to the sum
8 of (i) 3% of the taxpayer's net income for the period prior
9 to January 1, 2011, as calculated under Section 202.5, and
10 (ii) 5% of the taxpayer's net income for the period after
11 December 31, 2010, as calculated under Section 202.5.

12 (5) In the case of an individual, trust, or estate, for
13 taxable years beginning on or after January 1, 2011, and
14 ending prior to January 1, 2015, an amount equal to 5% of
15 the taxpayer's net income for the taxable year.

16 (5.1) In the case of an individual, trust, or estate,
17 for taxable years beginning prior to January 1, 2015, and
18 ending after December 31, 2014, an amount equal to the sum
19 of (i) 5% of the taxpayer's net income for the period prior
20 to January 1, 2015, as calculated under Section 202.5, and
21 (ii) 3.75% of the taxpayer's net income for the period
22 after December 31, 2014, as calculated under Section 202.5.

23 (5.2) In the case of an individual, trust, or estate,
24 for taxable years beginning on or after January 1, 2015,
25 and ending prior to January 1, 2025, an amount equal to
26 3.75% of the taxpayer's net income for the taxable year.

1 (5.3) In the case of an individual, trust, or estate,
2 for taxable years beginning prior to January 1, 2025, and
3 ending after December 31, 2024, an amount equal to the sum
4 of (i) 3.75% of the taxpayer's net income for the period
5 prior to January 1, 2025, as calculated under Section
6 202.5, and (ii) 3.25% of the taxpayer's net income for the
7 period after December 31, 2024, as calculated under Section
8 202.5.

9 (5.4) In the case of an individual, trust, or estate,
10 for taxable years beginning on or after January 1, 2025, an
11 amount equal to 3.25% of the taxpayer's net income for the
12 taxable year.

13 (6) In the case of a corporation, for taxable years
14 ending prior to July 1, 1989, an amount equal to 4% of the
15 taxpayer's net income for the taxable year.

16 (7) In the case of a corporation, for taxable years
17 beginning prior to July 1, 1989 and ending after June 30,
18 1989, an amount equal to the sum of (i) 4% of the
19 taxpayer's net income for the period prior to July 1, 1989,
20 as calculated under Section 202.3, and (ii) 4.8% of the
21 taxpayer's net income for the period after June 30, 1989,
22 as calculated under Section 202.3.

23 (8) In the case of a corporation, for taxable years
24 beginning after June 30, 1989, and ending prior to January
25 1, 2011, an amount equal to 4.8% of the taxpayer's net
26 income for the taxable year.

1 (9) In the case of a corporation, for taxable years
2 beginning prior to January 1, 2011, and ending after
3 December 31, 2010, an amount equal to the sum of (i) 4.8%
4 of the taxpayer's net income for the period prior to
5 January 1, 2011, as calculated under Section 202.5, and
6 (ii) 7% of the taxpayer's net income for the period after
7 December 31, 2010, as calculated under Section 202.5.

8 (10) In the case of a corporation, for taxable years
9 beginning on or after January 1, 2011, and ending prior to
10 January 1, 2015, an amount equal to 7% of the taxpayer's
11 net income for the taxable year.

12 (11) In the case of a corporation, for taxable years
13 beginning prior to January 1, 2015, and ending after
14 December 31, 2014, an amount equal to the sum of (i) 7% of
15 the taxpayer's net income for the period prior to January
16 1, 2015, as calculated under Section 202.5, and (ii) 5.25%
17 of the taxpayer's net income for the period after December
18 31, 2014, as calculated under Section 202.5.

19 (12) In the case of a corporation, for taxable years
20 beginning on or after January 1, 2015, and ending prior to
21 January 1, 2025, an amount equal to 5.25% of the taxpayer's
22 net income for the taxable year.

23 (13) In the case of a corporation, for taxable years
24 beginning prior to January 1, 2025, and ending after
25 December 31, 2024, an amount equal to the sum of (i) 5.25%
26 of the taxpayer's net income for the period prior to

1 January 1, 2025, as calculated under Section 202.5, and
2 (ii) 4.8% of the taxpayer's net income for the period after
3 December 31, 2024, as calculated under Section 202.5.

4 (14) In the case of a corporation, for taxable years
5 beginning on or after January 1, 2025, an amount equal to
6 4.8% of the taxpayer's net income for the taxable year.

7 The rates under this subsection (b) are subject to the
8 provisions of Section 201.5.

9 (b-5) Surcharge; sale or exchange of assets, properties,
10 and intangibles of electronic gaming licensees. For each of
11 taxable years 2011 through 2019, a surcharge is imposed on all
12 taxpayers on income arising from the sale or exchange of
13 capital assets, depreciable business property, real property
14 used in the trade or business, and Section 197 intangibles (i)
15 of an organization licensee under the Illinois Horse Racing Act
16 of 1975 and (ii) of an electronic gaming licensee under the
17 Illinois Gambling Act. The amount of the surcharge is equal to
18 the amount of federal income tax liability for the taxable year
19 attributable to those sales and exchanges. The surcharge
20 imposed shall not apply if:

21 (1) the electronic gaming license, organization
22 license, or race track property is transferred as a result
23 of any of the following:

24 (A) bankruptcy, a receivership, or a debt
25 adjustment initiated by or against the initial
26 licensee or the substantial owners of the initial

1 licensee;

2 (B) cancellation, revocation, or termination of
3 any such license by the Illinois Gaming Board or the
4 Illinois Racing Board;

5 (C) a determination by the Illinois Gaming Board
6 that transfer of the license is in the best interests
7 of Illinois gaming;

8 (D) the death of an owner of the equity interest in
9 a licensee;

10 (E) the acquisition of a controlling interest in
11 the stock or substantially all of the assets of a
12 publicly traded company;

13 (F) a transfer by a parent company to a wholly
14 owned subsidiary; or

15 (G) the transfer or sale to or by one person to
16 another person where both persons were initial owners
17 of the license when the license was issued; or

18 (2) the controlling interest in the electronic gaming
19 license, organization license, or race track property is
20 transferred in a transaction to lineal descendants in which
21 no gain or loss is recognized or as a result of a
22 transaction in accordance with Section 351 of the Internal
23 Revenue Code in which no gain or loss is recognized.

24 The transfer of an electronic gaming license, organization
25 license, or race track property by a person other than the
26 initial licensee to receive the electronic gaming license is

1 not subject to a surcharge. The Department shall adopt rules
2 necessary to implement and administer this subsection.

3 (c) Personal Property Tax Replacement Income Tax.
4 Beginning on July 1, 1979 and thereafter, in addition to such
5 income tax, there is also hereby imposed the Personal Property
6 Tax Replacement Income Tax measured by net income on every
7 corporation (including Subchapter S corporations), partnership
8 and trust, for each taxable year ending after June 30, 1979.
9 Such taxes are imposed on the privilege of earning or receiving
10 income in or as a resident of this State. The Personal Property
11 Tax Replacement Income Tax shall be in addition to the income
12 tax imposed by subsections (a) and (b) of this Section and in
13 addition to all other occupation or privilege taxes imposed by
14 this State or by any municipal corporation or political
15 subdivision thereof.

16 (d) Additional Personal Property Tax Replacement Income
17 Tax Rates. The personal property tax replacement income tax
18 imposed by this subsection and subsection (c) of this Section
19 in the case of a corporation, other than a Subchapter S
20 corporation and except as adjusted by subsection (d-1), shall
21 be an additional amount equal to 2.85% of such taxpayer's net
22 income for the taxable year, except that beginning on January
23 1, 1981, and thereafter, the rate of 2.85% specified in this
24 subsection shall be reduced to 2.5%, and in the case of a
25 partnership, trust or a Subchapter S corporation shall be an
26 additional amount equal to 1.5% of such taxpayer's net income

1 for the taxable year.

2 (d-1) Rate reduction for certain foreign insurers. In the
3 case of a foreign insurer, as defined by Section 35A-5 of the
4 Illinois Insurance Code, whose state or country of domicile
5 imposes on insurers domiciled in Illinois a retaliatory tax
6 (excluding any insurer whose premiums from reinsurance assumed
7 are 50% or more of its total insurance premiums as determined
8 under paragraph (2) of subsection (b) of Section 304, except
9 that for purposes of this determination premiums from
10 reinsurance do not include premiums from inter-affiliate
11 reinsurance arrangements), beginning with taxable years ending
12 on or after December 31, 1999, the sum of the rates of tax
13 imposed by subsections (b) and (d) shall be reduced (but not
14 increased) to the rate at which the total amount of tax imposed
15 under this Act, net of all credits allowed under this Act,
16 shall equal (i) the total amount of tax that would be imposed
17 on the foreign insurer's net income allocable to Illinois for
18 the taxable year by such foreign insurer's state or country of
19 domicile if that net income were subject to all income taxes
20 and taxes measured by net income imposed by such foreign
21 insurer's state or country of domicile, net of all credits
22 allowed or (ii) a rate of zero if no such tax is imposed on such
23 income by the foreign insurer's state of domicile. For the
24 purposes of this subsection (d-1), an inter-affiliate includes
25 a mutual insurer under common management.

26 (1) For the purposes of subsection (d-1), in no event

1 shall the sum of the rates of tax imposed by subsections
2 (b) and (d) be reduced below the rate at which the sum of:

3 (A) the total amount of tax imposed on such foreign
4 insurer under this Act for a taxable year, net of all
5 credits allowed under this Act, plus

6 (B) the privilege tax imposed by Section 409 of the
7 Illinois Insurance Code, the fire insurance company
8 tax imposed by Section 12 of the Fire Investigation
9 Act, and the fire department taxes imposed under
10 Section 11-10-1 of the Illinois Municipal Code,
11 equals 1.25% for taxable years ending prior to December 31,
12 2003, or 1.75% for taxable years ending on or after
13 December 31, 2003, of the net taxable premiums written for
14 the taxable year, as described by subsection (1) of Section
15 409 of the Illinois Insurance Code. This paragraph will in
16 no event increase the rates imposed under subsections (b)
17 and (d).

18 (2) Any reduction in the rates of tax imposed by this
19 subsection shall be applied first against the rates imposed
20 by subsection (b) and only after the tax imposed by
21 subsection (a) net of all credits allowed under this
22 Section other than the credit allowed under subsection (i)
23 has been reduced to zero, against the rates imposed by
24 subsection (d).

25 This subsection (d-1) is exempt from the provisions of
26 Section 250.

1 (e) Investment credit. A taxpayer shall be allowed a credit
2 against the Personal Property Tax Replacement Income Tax for
3 investment in qualified property.

4 (1) A taxpayer shall be allowed a credit equal to .5%
5 of the basis of qualified property placed in service during
6 the taxable year, provided such property is placed in
7 service on or after July 1, 1984. There shall be allowed an
8 additional credit equal to .5% of the basis of qualified
9 property placed in service during the taxable year,
10 provided such property is placed in service on or after
11 July 1, 1986, and the taxpayer's base employment within
12 Illinois has increased by 1% or more over the preceding
13 year as determined by the taxpayer's employment records
14 filed with the Illinois Department of Employment Security.
15 Taxpayers who are new to Illinois shall be deemed to have
16 met the 1% growth in base employment for the first year in
17 which they file employment records with the Illinois
18 Department of Employment Security. The provisions added to
19 this Section by Public Act 85-1200 (and restored by Public
20 Act 87-895) shall be construed as declaratory of existing
21 law and not as a new enactment. If, in any year, the
22 increase in base employment within Illinois over the
23 preceding year is less than 1%, the additional credit shall
24 be limited to that percentage times a fraction, the
25 numerator of which is .5% and the denominator of which is
26 1%, but shall not exceed .5%. The investment credit shall

1 not be allowed to the extent that it would reduce a
2 taxpayer's liability in any tax year below zero, nor may
3 any credit for qualified property be allowed for any year
4 other than the year in which the property was placed in
5 service in Illinois. For tax years ending on or after
6 December 31, 1987, and on or before December 31, 1988, the
7 credit shall be allowed for the tax year in which the
8 property is placed in service, or, if the amount of the
9 credit exceeds the tax liability for that year, whether it
10 exceeds the original liability or the liability as later
11 amended, such excess may be carried forward and applied to
12 the tax liability of the 5 taxable years following the
13 excess credit years if the taxpayer (i) makes investments
14 which cause the creation of a minimum of 2,000 full-time
15 equivalent jobs in Illinois, (ii) is located in an
16 enterprise zone established pursuant to the Illinois
17 Enterprise Zone Act and (iii) is certified by the
18 Department of Commerce and Community Affairs (now
19 Department of Commerce and Economic Opportunity) as
20 complying with the requirements specified in clause (i) and
21 (ii) by July 1, 1986. The Department of Commerce and
22 Community Affairs (now Department of Commerce and Economic
23 Opportunity) shall notify the Department of Revenue of all
24 such certifications immediately. For tax years ending
25 after December 31, 1988, the credit shall be allowed for
26 the tax year in which the property is placed in service,

1 or, if the amount of the credit exceeds the tax liability
2 for that year, whether it exceeds the original liability or
3 the liability as later amended, such excess may be carried
4 forward and applied to the tax liability of the 5 taxable
5 years following the excess credit years. The credit shall
6 be applied to the earliest year for which there is a
7 liability. If there is credit from more than one tax year
8 that is available to offset a liability, earlier credit
9 shall be applied first.

10 (2) The term "qualified property" means property
11 which:

12 (A) is tangible, whether new or used, including
13 buildings and structural components of buildings and
14 signs that are real property, but not including land or
15 improvements to real property that are not a structural
16 component of a building such as landscaping, sewer
17 lines, local access roads, fencing, parking lots, and
18 other appurtenances;

19 (B) is depreciable pursuant to Section 167 of the
20 Internal Revenue Code, except that "3-year property"
21 as defined in Section 168(c)(2)(A) of that Code is not
22 eligible for the credit provided by this subsection
23 (e);

24 (C) is acquired by purchase as defined in Section
25 179(d) of the Internal Revenue Code;

26 (D) is used in Illinois by a taxpayer who is

1 primarily engaged in manufacturing, or in mining coal
2 or fluorite, or in retailing, or was placed in service
3 on or after July 1, 2006 in a River Edge Redevelopment
4 Zone established pursuant to the River Edge
5 Redevelopment Zone Act; and

6 (E) has not previously been used in Illinois in
7 such a manner and by such a person as would qualify for
8 the credit provided by this subsection (e) or
9 subsection (f).

10 (3) For purposes of this subsection (e),
11 "manufacturing" means the material staging and production
12 of tangible personal property by procedures commonly
13 regarded as manufacturing, processing, fabrication, or
14 assembling which changes some existing material into new
15 shapes, new qualities, or new combinations. For purposes of
16 this subsection (e) the term "mining" shall have the same
17 meaning as the term "mining" in Section 613(c) of the
18 Internal Revenue Code. For purposes of this subsection (e),
19 the term "retailing" means the sale of tangible personal
20 property for use or consumption and not for resale, or
21 services rendered in conjunction with the sale of tangible
22 personal property for use or consumption and not for
23 resale. For purposes of this subsection (e), "tangible
24 personal property" has the same meaning as when that term
25 is used in the Retailers' Occupation Tax Act, and, for
26 taxable years ending after December 31, 2008, does not

1 include the generation, transmission, or distribution of
2 electricity.

3 (4) The basis of qualified property shall be the basis
4 used to compute the depreciation deduction for federal
5 income tax purposes.

6 (5) If the basis of the property for federal income tax
7 depreciation purposes is increased after it has been placed
8 in service in Illinois by the taxpayer, the amount of such
9 increase shall be deemed property placed in service on the
10 date of such increase in basis.

11 (6) The term "placed in service" shall have the same
12 meaning as under Section 46 of the Internal Revenue Code.

13 (7) If during any taxable year, any property ceases to
14 be qualified property in the hands of the taxpayer within
15 48 months after being placed in service, or the situs of
16 any qualified property is moved outside Illinois within 48
17 months after being placed in service, the Personal Property
18 Tax Replacement Income Tax for such taxable year shall be
19 increased. Such increase shall be determined by (i)
20 recomputing the investment credit which would have been
21 allowed for the year in which credit for such property was
22 originally allowed by eliminating such property from such
23 computation and, (ii) subtracting such recomputed credit
24 from the amount of credit previously allowed. For the
25 purposes of this paragraph (7), a reduction of the basis of
26 qualified property resulting from a redetermination of the

1 purchase price shall be deemed a disposition of qualified
2 property to the extent of such reduction.

3 (8) Unless the investment credit is extended by law,
4 the basis of qualified property shall not include costs
5 incurred after December 31, 2013, except for costs incurred
6 pursuant to a binding contract entered into on or before
7 December 31, 2013.

8 (9) Each taxable year ending before December 31, 2000,
9 a partnership may elect to pass through to its partners the
10 credits to which the partnership is entitled under this
11 subsection (e) for the taxable year. A partner may use the
12 credit allocated to him or her under this paragraph only
13 against the tax imposed in subsections (c) and (d) of this
14 Section. If the partnership makes that election, those
15 credits shall be allocated among the partners in the
16 partnership in accordance with the rules set forth in
17 Section 704(b) of the Internal Revenue Code, and the rules
18 promulgated under that Section, and the allocated amount of
19 the credits shall be allowed to the partners for that
20 taxable year. The partnership shall make this election on
21 its Personal Property Tax Replacement Income Tax return for
22 that taxable year. The election to pass through the credits
23 shall be irrevocable.

24 For taxable years ending on or after December 31, 2000,
25 a partner that qualifies its partnership for a subtraction
26 under subparagraph (I) of paragraph (2) of subsection (d)

1 of Section 203 or a shareholder that qualifies a Subchapter
2 S corporation for a subtraction under subparagraph (S) of
3 paragraph (2) of subsection (b) of Section 203 shall be
4 allowed a credit under this subsection (e) equal to its
5 share of the credit earned under this subsection (e) during
6 the taxable year by the partnership or Subchapter S
7 corporation, determined in accordance with the
8 determination of income and distributive share of income
9 under Sections 702 and 704 and Subchapter S of the Internal
10 Revenue Code. This paragraph is exempt from the provisions
11 of Section 250.

12 (f) Investment credit; Enterprise Zone; River Edge
13 Redevelopment Zone.

14 (1) A taxpayer shall be allowed a credit against the
15 tax imposed by subsections (a) and (b) of this Section for
16 investment in qualified property which is placed in service
17 in an Enterprise Zone created pursuant to the Illinois
18 Enterprise Zone Act or, for property placed in service on
19 or after July 1, 2006, a River Edge Redevelopment Zone
20 established pursuant to the River Edge Redevelopment Zone
21 Act. For partners, shareholders of Subchapter S
22 corporations, and owners of limited liability companies,
23 if the liability company is treated as a partnership for
24 purposes of federal and State income taxation, there shall
25 be allowed a credit under this subsection (f) to be
26 determined in accordance with the determination of income

1 and distributive share of income under Sections 702 and 704
2 and Subchapter S of the Internal Revenue Code. The credit
3 shall be .5% of the basis for such property. The credit
4 shall be available only in the taxable year in which the
5 property is placed in service in the Enterprise Zone or
6 River Edge Redevelopment Zone and shall not be allowed to
7 the extent that it would reduce a taxpayer's liability for
8 the tax imposed by subsections (a) and (b) of this Section
9 to below zero. For tax years ending on or after December
10 31, 1985, the credit shall be allowed for the tax year in
11 which the property is placed in service, or, if the amount
12 of the credit exceeds the tax liability for that year,
13 whether it exceeds the original liability or the liability
14 as later amended, such excess may be carried forward and
15 applied to the tax liability of the 5 taxable years
16 following the excess credit year. The credit shall be
17 applied to the earliest year for which there is a
18 liability. If there is credit from more than one tax year
19 that is available to offset a liability, the credit
20 accruing first in time shall be applied first.

21 (2) The term qualified property means property which:

22 (A) is tangible, whether new or used, including
23 buildings and structural components of buildings;

24 (B) is depreciable pursuant to Section 167 of the
25 Internal Revenue Code, except that "3-year property"
26 as defined in Section 168(c)(2)(A) of that Code is not

1 eligible for the credit provided by this subsection
2 (f);

3 (C) is acquired by purchase as defined in Section
4 179(d) of the Internal Revenue Code;

5 (D) is used in the Enterprise Zone or River Edge
6 Redevelopment Zone by the taxpayer; and

7 (E) has not been previously used in Illinois in
8 such a manner and by such a person as would qualify for
9 the credit provided by this subsection (f) or
10 subsection (e).

11 (3) The basis of qualified property shall be the basis
12 used to compute the depreciation deduction for federal
13 income tax purposes.

14 (4) If the basis of the property for federal income tax
15 depreciation purposes is increased after it has been placed
16 in service in the Enterprise Zone or River Edge
17 Redevelopment Zone by the taxpayer, the amount of such
18 increase shall be deemed property placed in service on the
19 date of such increase in basis.

20 (5) The term "placed in service" shall have the same
21 meaning as under Section 46 of the Internal Revenue Code.

22 (6) If during any taxable year, any property ceases to
23 be qualified property in the hands of the taxpayer within
24 48 months after being placed in service, or the situs of
25 any qualified property is moved outside the Enterprise Zone
26 or River Edge Redevelopment Zone within 48 months after

1 being placed in service, the tax imposed under subsections
2 (a) and (b) of this Section for such taxable year shall be
3 increased. Such increase shall be determined by (i)
4 recomputing the investment credit which would have been
5 allowed for the year in which credit for such property was
6 originally allowed by eliminating such property from such
7 computation, and (ii) subtracting such recomputed credit
8 from the amount of credit previously allowed. For the
9 purposes of this paragraph (6), a reduction of the basis of
10 qualified property resulting from a redetermination of the
11 purchase price shall be deemed a disposition of qualified
12 property to the extent of such reduction.

13 (7) There shall be allowed an additional credit equal
14 to 0.5% of the basis of qualified property placed in
15 service during the taxable year in a River Edge
16 Redevelopment Zone, provided such property is placed in
17 service on or after July 1, 2006, and the taxpayer's base
18 employment within Illinois has increased by 1% or more over
19 the preceding year as determined by the taxpayer's
20 employment records filed with the Illinois Department of
21 Employment Security. Taxpayers who are new to Illinois
22 shall be deemed to have met the 1% growth in base
23 employment for the first year in which they file employment
24 records with the Illinois Department of Employment
25 Security. If, in any year, the increase in base employment
26 within Illinois over the preceding year is less than 1%,

1 the additional credit shall be limited to that percentage
2 times a fraction, the numerator of which is 0.5% and the
3 denominator of which is 1%, but shall not exceed 0.5%.

4 (g) Jobs Tax Credit; Enterprise Zone, River Edge
5 Redevelopment Zone, and Foreign Trade Zone or Sub-Zone.

6 (1) A taxpayer conducting a trade or business in an
7 enterprise zone or a High Impact Business designated by the
8 Department of Commerce and Economic Opportunity or for
9 taxable years ending on or after December 31, 2006, in a
10 River Edge Redevelopment Zone conducting a trade or
11 business in a federally designated Foreign Trade Zone or
12 Sub-Zone shall be allowed a credit against the tax imposed
13 by subsections (a) and (b) of this Section in the amount of
14 \$500 per eligible employee hired to work in the zone during
15 the taxable year.

16 (2) To qualify for the credit:

17 (A) the taxpayer must hire 5 or more eligible
18 employees to work in an enterprise zone, River Edge
19 Redevelopment Zone, or federally designated Foreign
20 Trade Zone or Sub-Zone during the taxable year;

21 (B) the taxpayer's total employment within the
22 enterprise zone, River Edge Redevelopment Zone, or
23 federally designated Foreign Trade Zone or Sub-Zone
24 must increase by 5 or more full-time employees beyond
25 the total employed in that zone at the end of the
26 previous tax year for which a jobs tax credit under

1 this Section was taken, or beyond the total employed by
2 the taxpayer as of December 31, 1985, whichever is
3 later; and

4 (C) the eligible employees must be employed 180
5 consecutive days in order to be deemed hired for
6 purposes of this subsection.

7 (3) An "eligible employee" means an employee who is:

8 (A) Certified by the Department of Commerce and
9 Economic Opportunity as "eligible for services"
10 pursuant to regulations promulgated in accordance with
11 Title II of the Job Training Partnership Act, Training
12 Services for the Disadvantaged or Title III of the Job
13 Training Partnership Act, Employment and Training
14 Assistance for Dislocated Workers Program.

15 (B) Hired after the enterprise zone, River Edge
16 Redevelopment Zone, or federally designated Foreign
17 Trade Zone or Sub-Zone was designated or the trade or
18 business was located in that zone, whichever is later.

19 (C) Employed in the enterprise zone, River Edge
20 Redevelopment Zone, or Foreign Trade Zone or Sub-Zone.
21 An employee is employed in an enterprise zone or
22 federally designated Foreign Trade Zone or Sub-Zone if
23 his services are rendered there or it is the base of
24 operations for the services performed.

25 (D) A full-time employee working 30 or more hours
26 per week.

1 (4) For tax years ending on or after December 31, 1985
2 and prior to December 31, 1988, the credit shall be allowed
3 for the tax year in which the eligible employees are hired.
4 For tax years ending on or after December 31, 1988, the
5 credit shall be allowed for the tax year immediately
6 following the tax year in which the eligible employees are
7 hired. If the amount of the credit exceeds the tax
8 liability for that year, whether it exceeds the original
9 liability or the liability as later amended, such excess
10 may be carried forward and applied to the tax liability of
11 the 5 taxable years following the excess credit year. The
12 credit shall be applied to the earliest year for which
13 there is a liability. If there is credit from more than one
14 tax year that is available to offset a liability, earlier
15 credit shall be applied first.

16 (5) The Department of Revenue shall promulgate such
17 rules and regulations as may be deemed necessary to carry
18 out the purposes of this subsection (g).

19 (6) The credit shall be available for eligible
20 employees hired on or after January 1, 1986.

21 (h) Investment credit; High Impact Business.

22 (1) Subject to subsections (b) and (b-5) of Section 5.5
23 of the Illinois Enterprise Zone Act, a taxpayer shall be
24 allowed a credit against the tax imposed by subsections (a)
25 and (b) of this Section for investment in qualified
26 property which is placed in service by a Department of

1 Commerce and Economic Opportunity designated High Impact
2 Business. The credit shall be .5% of the basis for such
3 property. The credit shall not be available (i) until the
4 minimum investments in qualified property set forth in
5 subdivision (a)(3)(A) of Section 5.5 of the Illinois
6 Enterprise Zone Act have been satisfied or (ii) until the
7 time authorized in subsection (b-5) of the Illinois
8 Enterprise Zone Act for entities designated as High Impact
9 Businesses under subdivisions (a)(3)(B), (a)(3)(C), and
10 (a)(3)(D) of Section 5.5 of the Illinois Enterprise Zone
11 Act, and shall not be allowed to the extent that it would
12 reduce a taxpayer's liability for the tax imposed by
13 subsections (a) and (b) of this Section to below zero. The
14 credit applicable to such investments shall be taken in the
15 taxable year in which such investments have been completed.
16 The credit for additional investments beyond the minimum
17 investment by a designated high impact business authorized
18 under subdivision (a)(3)(A) of Section 5.5 of the Illinois
19 Enterprise Zone Act shall be available only in the taxable
20 year in which the property is placed in service and shall
21 not be allowed to the extent that it would reduce a
22 taxpayer's liability for the tax imposed by subsections (a)
23 and (b) of this Section to below zero. For tax years ending
24 on or after December 31, 1987, the credit shall be allowed
25 for the tax year in which the property is placed in
26 service, or, if the amount of the credit exceeds the tax

1 liability for that year, whether it exceeds the original
2 liability or the liability as later amended, such excess
3 may be carried forward and applied to the tax liability of
4 the 5 taxable years following the excess credit year. The
5 credit shall be applied to the earliest year for which
6 there is a liability. If there is credit from more than one
7 tax year that is available to offset a liability, the
8 credit accruing first in time shall be applied first.

9 Changes made in this subdivision (h)(1) by Public Act
10 88-670 restore changes made by Public Act 85-1182 and
11 reflect existing law.

12 (2) The term qualified property means property which:

13 (A) is tangible, whether new or used, including
14 buildings and structural components of buildings;

15 (B) is depreciable pursuant to Section 167 of the
16 Internal Revenue Code, except that "3-year property"
17 as defined in Section 168(c)(2)(A) of that Code is not
18 eligible for the credit provided by this subsection
19 (h);

20 (C) is acquired by purchase as defined in Section
21 179(d) of the Internal Revenue Code; and

22 (D) is not eligible for the Enterprise Zone
23 Investment Credit provided by subsection (f) of this
24 Section.

25 (3) The basis of qualified property shall be the basis
26 used to compute the depreciation deduction for federal

1 income tax purposes.

2 (4) If the basis of the property for federal income tax
3 depreciation purposes is increased after it has been placed
4 in service in a federally designated Foreign Trade Zone or
5 Sub-Zone located in Illinois by the taxpayer, the amount of
6 such increase shall be deemed property placed in service on
7 the date of such increase in basis.

8 (5) The term "placed in service" shall have the same
9 meaning as under Section 46 of the Internal Revenue Code.

10 (6) If during any taxable year ending on or before
11 December 31, 1996, any property ceases to be qualified
12 property in the hands of the taxpayer within 48 months
13 after being placed in service, or the situs of any
14 qualified property is moved outside Illinois within 48
15 months after being placed in service, the tax imposed under
16 subsections (a) and (b) of this Section for such taxable
17 year shall be increased. Such increase shall be determined
18 by (i) recomputing the investment credit which would have
19 been allowed for the year in which credit for such property
20 was originally allowed by eliminating such property from
21 such computation, and (ii) subtracting such recomputed
22 credit from the amount of credit previously allowed. For
23 the purposes of this paragraph (6), a reduction of the
24 basis of qualified property resulting from a
25 redetermination of the purchase price shall be deemed a
26 disposition of qualified property to the extent of such

1 reduction.

2 (7) Beginning with tax years ending after December 31,
3 1996, if a taxpayer qualifies for the credit under this
4 subsection (h) and thereby is granted a tax abatement and
5 the taxpayer relocates its entire facility in violation of
6 the explicit terms and length of the contract under Section
7 18-183 of the Property Tax Code, the tax imposed under
8 subsections (a) and (b) of this Section shall be increased
9 for the taxable year in which the taxpayer relocated its
10 facility by an amount equal to the amount of credit
11 received by the taxpayer under this subsection (h).

12 (i) Credit for Personal Property Tax Replacement Income
13 Tax. For tax years ending prior to December 31, 2003, a credit
14 shall be allowed against the tax imposed by subsections (a) and
15 (b) of this Section for the tax imposed by subsections (c) and
16 (d) of this Section. This credit shall be computed by
17 multiplying the tax imposed by subsections (c) and (d) of this
18 Section by a fraction, the numerator of which is base income
19 allocable to Illinois and the denominator of which is Illinois
20 base income, and further multiplying the product by the tax
21 rate imposed by subsections (a) and (b) of this Section.

22 Any credit earned on or after December 31, 1986 under this
23 subsection which is unused in the year the credit is computed
24 because it exceeds the tax liability imposed by subsections (a)
25 and (b) for that year (whether it exceeds the original
26 liability or the liability as later amended) may be carried

1 forward and applied to the tax liability imposed by subsections
2 (a) and (b) of the 5 taxable years following the excess credit
3 year, provided that no credit may be carried forward to any
4 year ending on or after December 31, 2003. This credit shall be
5 applied first to the earliest year for which there is a
6 liability. If there is a credit under this subsection from more
7 than one tax year that is available to offset a liability the
8 earliest credit arising under this subsection shall be applied
9 first.

10 If, during any taxable year ending on or after December 31,
11 1986, the tax imposed by subsections (c) and (d) of this
12 Section for which a taxpayer has claimed a credit under this
13 subsection (i) is reduced, the amount of credit for such tax
14 shall also be reduced. Such reduction shall be determined by
15 recomputing the credit to take into account the reduced tax
16 imposed by subsections (c) and (d). If any portion of the
17 reduced amount of credit has been carried to a different
18 taxable year, an amended return shall be filed for such taxable
19 year to reduce the amount of credit claimed.

20 (j) Training expense credit. Beginning with tax years
21 ending on or after December 31, 1986 and prior to December 31,
22 2003, a taxpayer shall be allowed a credit against the tax
23 imposed by subsections (a) and (b) under this Section for all
24 amounts paid or accrued, on behalf of all persons employed by
25 the taxpayer in Illinois or Illinois residents employed outside
26 of Illinois by a taxpayer, for educational or vocational

1 training in semi-technical or technical fields or semi-skilled
2 or skilled fields, which were deducted from gross income in the
3 computation of taxable income. The credit against the tax
4 imposed by subsections (a) and (b) shall be 1.6% of such
5 training expenses. For partners, shareholders of subchapter S
6 corporations, and owners of limited liability companies, if the
7 liability company is treated as a partnership for purposes of
8 federal and State income taxation, there shall be allowed a
9 credit under this subsection (j) to be determined in accordance
10 with the determination of income and distributive share of
11 income under Sections 702 and 704 and subchapter S of the
12 Internal Revenue Code.

13 Any credit allowed under this subsection which is unused in
14 the year the credit is earned may be carried forward to each of
15 the 5 taxable years following the year for which the credit is
16 first computed until it is used. This credit shall be applied
17 first to the earliest year for which there is a liability. If
18 there is a credit under this subsection from more than one tax
19 year that is available to offset a liability the earliest
20 credit arising under this subsection shall be applied first. No
21 carryforward credit may be claimed in any tax year ending on or
22 after December 31, 2003.

23 (k) Research and development credit.

24 For tax years ending after July 1, 1990 and prior to
25 December 31, 2003, and beginning again for tax years ending on
26 or after December 31, 2004, and ending prior to January 1,

1 2011, a taxpayer shall be allowed a credit against the tax
2 imposed by subsections (a) and (b) of this Section for
3 increasing research activities in this State. The credit
4 allowed against the tax imposed by subsections (a) and (b)
5 shall be equal to 6 1/2% of the qualifying expenditures for
6 increasing research activities in this State. For partners,
7 shareholders of subchapter S corporations, and owners of
8 limited liability companies, if the liability company is
9 treated as a partnership for purposes of federal and State
10 income taxation, there shall be allowed a credit under this
11 subsection to be determined in accordance with the
12 determination of income and distributive share of income under
13 Sections 702 and 704 and subchapter S of the Internal Revenue
14 Code.

15 For purposes of this subsection, "qualifying expenditures"
16 means the qualifying expenditures as defined for the federal
17 credit for increasing research activities which would be
18 allowable under Section 41 of the Internal Revenue Code and
19 which are conducted in this State, "qualifying expenditures for
20 increasing research activities in this State" means the excess
21 of qualifying expenditures for the taxable year in which
22 incurred over qualifying expenditures for the base period,
23 "qualifying expenditures for the base period" means the average
24 of the qualifying expenditures for each year in the base
25 period, and "base period" means the 3 taxable years immediately
26 preceding the taxable year for which the determination is being

1 made.

2 Any credit in excess of the tax liability for the taxable
3 year may be carried forward. A taxpayer may elect to have the
4 unused credit shown on its final completed return carried over
5 as a credit against the tax liability for the following 5
6 taxable years or until it has been fully used, whichever occurs
7 first; provided that no credit earned in a tax year ending
8 prior to December 31, 2003 may be carried forward to any year
9 ending on or after December 31, 2003, and no credit may be
10 carried forward to any taxable year ending on or after January
11 1, 2011.

12 If an unused credit is carried forward to a given year from
13 2 or more earlier years, that credit arising in the earliest
14 year will be applied first against the tax liability for the
15 given year. If a tax liability for the given year still
16 remains, the credit from the next earliest year will then be
17 applied, and so on, until all credits have been used or no tax
18 liability for the given year remains. Any remaining unused
19 credit or credits then will be carried forward to the next
20 following year in which a tax liability is incurred, except
21 that no credit can be carried forward to a year which is more
22 than 5 years after the year in which the expense for which the
23 credit is given was incurred.

24 No inference shall be drawn from this amendatory Act of the
25 91st General Assembly in construing this Section for taxable
26 years beginning before January 1, 1999.

1 (1) Environmental Remediation Tax Credit.

2 (i) For tax years ending after December 31, 1997 and on
3 or before December 31, 2001, a taxpayer shall be allowed a
4 credit against the tax imposed by subsections (a) and (b)
5 of this Section for certain amounts paid for unreimbursed
6 eligible remediation costs, as specified in this
7 subsection. For purposes of this Section, "unreimbursed
8 eligible remediation costs" means costs approved by the
9 Illinois Environmental Protection Agency ("Agency") under
10 Section 58.14 of the Environmental Protection Act that were
11 paid in performing environmental remediation at a site for
12 which a No Further Remediation Letter was issued by the
13 Agency and recorded under Section 58.10 of the
14 Environmental Protection Act. The credit must be claimed
15 for the taxable year in which Agency approval of the
16 eligible remediation costs is granted. The credit is not
17 available to any taxpayer if the taxpayer or any related
18 party caused or contributed to, in any material respect, a
19 release of regulated substances on, in, or under the site
20 that was identified and addressed by the remedial action
21 pursuant to the Site Remediation Program of the
22 Environmental Protection Act. After the Pollution Control
23 Board rules are adopted pursuant to the Illinois
24 Administrative Procedure Act for the administration and
25 enforcement of Section 58.9 of the Environmental
26 Protection Act, determinations as to credit availability

1 for purposes of this Section shall be made consistent with
2 those rules. For purposes of this Section, "taxpayer"
3 includes a person whose tax attributes the taxpayer has
4 succeeded to under Section 381 of the Internal Revenue Code
5 and "related party" includes the persons disallowed a
6 deduction for losses by paragraphs (b), (c), and (f)(1) of
7 Section 267 of the Internal Revenue Code by virtue of being
8 a related taxpayer, as well as any of its partners. The
9 credit allowed against the tax imposed by subsections (a)
10 and (b) shall be equal to 25% of the unreimbursed eligible
11 remediation costs in excess of \$100,000 per site, except
12 that the \$100,000 threshold shall not apply to any site
13 contained in an enterprise zone as determined by the
14 Department of Commerce and Community Affairs (now
15 Department of Commerce and Economic Opportunity). The
16 total credit allowed shall not exceed \$40,000 per year with
17 a maximum total of \$150,000 per site. For partners and
18 shareholders of subchapter S corporations, there shall be
19 allowed a credit under this subsection to be determined in
20 accordance with the determination of income and
21 distributive share of income under Sections 702 and 704 and
22 subchapter S of the Internal Revenue Code.

23 (ii) A credit allowed under this subsection that is
24 unused in the year the credit is earned may be carried
25 forward to each of the 5 taxable years following the year
26 for which the credit is first earned until it is used. The

1 term "unused credit" does not include any amounts of
2 unreimbursed eligible remediation costs in excess of the
3 maximum credit per site authorized under paragraph (i).
4 This credit shall be applied first to the earliest year for
5 which there is a liability. If there is a credit under this
6 subsection from more than one tax year that is available to
7 offset a liability, the earliest credit arising under this
8 subsection shall be applied first. A credit allowed under
9 this subsection may be sold to a buyer as part of a sale of
10 all or part of the remediation site for which the credit
11 was granted. The purchaser of a remediation site and the
12 tax credit shall succeed to the unused credit and remaining
13 carry-forward period of the seller. To perfect the
14 transfer, the assignor shall record the transfer in the
15 chain of title for the site and provide written notice to
16 the Director of the Illinois Department of Revenue of the
17 assignor's intent to sell the remediation site and the
18 amount of the tax credit to be transferred as a portion of
19 the sale. In no event may a credit be transferred to any
20 taxpayer if the taxpayer or a related party would not be
21 eligible under the provisions of subsection (i).

22 (iii) For purposes of this Section, the term "site"
23 shall have the same meaning as under Section 58.2 of the
24 Environmental Protection Act.

25 (m) Education expense credit. Beginning with tax years
26 ending after December 31, 1999, a taxpayer who is the custodian

1 of one or more qualifying pupils shall be allowed a credit
2 against the tax imposed by subsections (a) and (b) of this
3 Section for qualified education expenses incurred on behalf of
4 the qualifying pupils. The credit shall be equal to 25% of
5 qualified education expenses, but in no event may the total
6 credit under this subsection claimed by a family that is the
7 custodian of qualifying pupils exceed \$500. In no event shall a
8 credit under this subsection reduce the taxpayer's liability
9 under this Act to less than zero. This subsection is exempt
10 from the provisions of Section 250 of this Act.

11 For purposes of this subsection:

12 "Qualifying pupils" means individuals who (i) are
13 residents of the State of Illinois, (ii) are under the age of
14 21 at the close of the school year for which a credit is
15 sought, and (iii) during the school year for which a credit is
16 sought were full-time pupils enrolled in a kindergarten through
17 twelfth grade education program at any school, as defined in
18 this subsection.

19 "Qualified education expense" means the amount incurred on
20 behalf of a qualifying pupil in excess of \$250 for tuition,
21 book fees, and lab fees at the school in which the pupil is
22 enrolled during the regular school year.

23 "School" means any public or nonpublic elementary or
24 secondary school in Illinois that is in compliance with Title
25 VI of the Civil Rights Act of 1964 and attendance at which
26 satisfies the requirements of Section 26-1 of the School Code,

1 except that nothing shall be construed to require a child to
2 attend any particular public or nonpublic school to qualify for
3 the credit under this Section.

4 "Custodian" means, with respect to qualifying pupils, an
5 Illinois resident who is a parent, the parents, a legal
6 guardian, or the legal guardians of the qualifying pupils.

7 (n) River Edge Redevelopment Zone site remediation tax
8 credit.

9 (i) For tax years ending on or after December 31, 2006,
10 a taxpayer shall be allowed a credit against the tax
11 imposed by subsections (a) and (b) of this Section for
12 certain amounts paid for unreimbursed eligible remediation
13 costs, as specified in this subsection. For purposes of
14 this Section, "unreimbursed eligible remediation costs"
15 means costs approved by the Illinois Environmental
16 Protection Agency ("Agency") under Section 58.14a of the
17 Environmental Protection Act that were paid in performing
18 environmental remediation at a site within a River Edge
19 Redevelopment Zone for which a No Further Remediation
20 Letter was issued by the Agency and recorded under Section
21 58.10 of the Environmental Protection Act. The credit must
22 be claimed for the taxable year in which Agency approval of
23 the eligible remediation costs is granted. The credit is
24 not available to any taxpayer if the taxpayer or any
25 related party caused or contributed to, in any material
26 respect, a release of regulated substances on, in, or under

1 the site that was identified and addressed by the remedial
2 action pursuant to the Site Remediation Program of the
3 Environmental Protection Act. Determinations as to credit
4 availability for purposes of this Section shall be made
5 consistent with rules adopted by the Pollution Control
6 Board pursuant to the Illinois Administrative Procedure
7 Act for the administration and enforcement of Section 58.9
8 of the Environmental Protection Act. For purposes of this
9 Section, "taxpayer" includes a person whose tax attributes
10 the taxpayer has succeeded to under Section 381 of the
11 Internal Revenue Code and "related party" includes the
12 persons disallowed a deduction for losses by paragraphs
13 (b), (c), and (f) (1) of Section 267 of the Internal Revenue
14 Code by virtue of being a related taxpayer, as well as any
15 of its partners. The credit allowed against the tax imposed
16 by subsections (a) and (b) shall be equal to 25% of the
17 unreimbursed eligible remediation costs in excess of
18 \$100,000 per site.

19 (ii) A credit allowed under this subsection that is
20 unused in the year the credit is earned may be carried
21 forward to each of the 5 taxable years following the year
22 for which the credit is first earned until it is used. This
23 credit shall be applied first to the earliest year for
24 which there is a liability. If there is a credit under this
25 subsection from more than one tax year that is available to
26 offset a liability, the earliest credit arising under this

1 subsection shall be applied first. A credit allowed under
2 this subsection may be sold to a buyer as part of a sale of
3 all or part of the remediation site for which the credit
4 was granted. The purchaser of a remediation site and the
5 tax credit shall succeed to the unused credit and remaining
6 carry-forward period of the seller. To perfect the
7 transfer, the assignor shall record the transfer in the
8 chain of title for the site and provide written notice to
9 the Director of the Illinois Department of Revenue of the
10 assignor's intent to sell the remediation site and the
11 amount of the tax credit to be transferred as a portion of
12 the sale. In no event may a credit be transferred to any
13 taxpayer if the taxpayer or a related party would not be
14 eligible under the provisions of subsection (i).

15 (iii) For purposes of this Section, the term "site"
16 shall have the same meaning as under Section 58.2 of the
17 Environmental Protection Act.

18 (Source: P.A. 96-115, eff. 7-31-09; 96-116, eff. 7-31-09;
19 96-937, eff. 6-23-10; 96-1000, eff. 7-2-10; 96-1496, eff.
20 1-13-11; 97-2, eff. 5-6-11.)

21 Section 90-23. The Property Tax Code is amended by adding
22 Section 15-144 as follows:

23 (35 ILCS 200/15-144 new)

24 Sec. 15-144. Chicago Casino Development Authority. All

1 property owned by the Chicago Casino Development Authority is
2 exempt. Any property owned by the Chicago Casino Development
3 Authority and leased to an entity that is not exempt shall
4 remain exempt so long as it is used for a public purpose.

5 Section 90-25. The Joliet Regional Port District Act is
6 amended by changing Section 5.1 as follows:

7 (70 ILCS 1825/5.1) (from Ch. 19, par. 255.1)

8 Sec. 5.1. Riverboat and casino gambling. Notwithstanding
9 any other provision of this Act, the District may not regulate
10 the operation, conduct, or navigation of any riverboat gambling
11 casino licensed under the Illinois Riverboat Gambling Act, and
12 the District may not license, tax, or otherwise levy any
13 assessment of any kind on any riverboat gambling casino
14 licensed under the Illinois Riverboat Gambling Act. The General
15 Assembly declares that the powers to regulate the operation,
16 conduct, and navigation of riverboat gambling casinos and to
17 license, tax, and levy assessments upon riverboat gambling
18 casinos are exclusive powers of the State of Illinois and the
19 Illinois Gaming Board as provided in the Illinois Riverboat
20 Gambling Act.

21 (Source: P.A. 87-1175.)

22 Section 90-30. The Consumer Installment Loan Act is amended
23 by changing Section 12.5 as follows:

1 (205 ILCS 670/12.5)

2 Sec. 12.5. Limited purpose branch.

3 (a) Upon the written approval of the Director, a licensee
4 may maintain a limited purpose branch for the sole purpose of
5 making loans as permitted by this Act. A limited purpose branch
6 may include an automatic loan machine. No other activity shall
7 be conducted at the site, including but not limited to,
8 accepting payments, servicing the accounts, or collections.

9 (b) The licensee must submit an application for a limited
10 purpose branch to the Director on forms prescribed by the
11 Director with an application fee of \$300. The approval for the
12 limited purpose branch must be renewed concurrently with the
13 renewal of the licensee's license along with a renewal fee of
14 \$300 for the limited purpose branch.

15 (c) The books, accounts, records, and files of the limited
16 purpose branch's transactions shall be maintained at the
17 licensee's licensed location. The licensee shall notify the
18 Director of the licensed location at which the books, accounts,
19 records, and files shall be maintained.

20 (d) The licensee shall prominently display at the limited
21 purpose branch the address and telephone number of the
22 licensee's licensed location.

23 (e) No other business shall be conducted at the site of the
24 limited purpose branch unless authorized by the Director.

25 (f) The Director shall make and enforce reasonable rules

1 for the conduct of a limited purpose branch.

2 (g) A limited purpose branch may not be located within
3 1,000 feet of a facility operated by an inter-track wagering
4 licensee or an organization licensee subject to the Illinois
5 Horse Racing Act of 1975, on a riverboat or in a casino subject
6 to the Illinois Riverboat Gambling Act, or within 1,000 feet of
7 the location at which the riverboat docks or within 1,000 feet
8 of a casino.

9 (Source: P.A. 90-437, eff. 1-1-98.)

10 Section 90-35. The Illinois Horse Racing Act of 1975 is
11 amended by changing Sections 1.2, 3.11, 3.12, 6, 9, 15, 15.1,
12 18, 19, 20, 24, 26, 27, 28, 28.1, 30, 30.5, 31, 31.1, 32.1, 36,
13 and 40 and by adding Sections 3.31, 3.32, 3.33, 3.35, 3.36,
14 34.3, and 56 as follows:

15 (230 ILCS 5/1.2)

16 Sec. 1.2. Legislative intent. This Act is intended to
17 benefit the people of the State of Illinois by encouraging the
18 breeding and production of race horses, assisting economic
19 development and promoting Illinois tourism. The General
20 Assembly finds and declares it to be the public policy of the
21 State of Illinois to:

22 (a) support and enhance Illinois' horse racing industry,
23 which is a significant component within the agribusiness
24 industry;

1 (b) ensure that Illinois' horse racing industry remains
2 competitive with neighboring states;

3 (c) stimulate growth within Illinois' horse racing
4 industry, thereby encouraging new investment and development
5 to produce additional tax revenues and to create additional
6 jobs;

7 (d) promote the further growth of tourism;

8 (e) encourage the breeding of thoroughbred and
9 standardbred horses in this State; and

10 (f) ensure that public confidence and trust in the
11 credibility and integrity of racing operations and the
12 regulatory process is maintained.

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

14 (230 ILCS 5/3.11) (from Ch. 8, par. 37-3.11)

15 Sec. 3.11. "Organization Licensee" means any person
16 receiving an organization license from the Board to conduct a
17 race meeting or meetings. With respect only to electronic
18 gaming, "organization licensee" includes the authorization for
19 an electronic gaming license under subsection (a) of Section 56
20 of this Act.

21 (Source: P.A. 79-1185.)

22 (230 ILCS 5/3.12) (from Ch. 8, par. 37-3.12)

23 Sec. 3.12. Pari-mutuel system of wagering. "Pari-mutuel
24 system of wagering" means a form of wagering on the outcome of

1 horse races in which wagers are made in various denominations
2 on a horse or horses and all wagers for each race are pooled
3 and held by a licensee for distribution in a manner approved by
4 the Board. "Pari-mutuel system of wagering" shall not include
5 wagering on historic races. Wagers may be placed via any method
6 or at any location authorized under this Act.

7 (Source: P.A. 96-762, eff. 8-25-09.)

8 (230 ILCS 5/3.31 new)

9 Sec. 3.31. Adjusted gross receipts. "Adjusted gross
10 receipts" means the gross receipts less winnings paid to
11 wagerers.

12 (230 ILCS 5/3.32 new)

13 Sec. 3.32. Gross receipts. "Gross receipts" means the total
14 amount of money exchanged for the purchase of chips, tokens, or
15 electronic cards by riverboat or casino patrons or electronic
16 gaming patrons.

17 (230 ILCS 5/3.33 new)

18 Sec. 3.33. Electronic gaming. "Electronic gaming" means
19 slot machine gambling, video game of chance gambling, or
20 gambling with electronic gambling games as defined in the
21 Illinois Gambling Act or defined by the Illinois Gaming Board
22 that is conducted at a race track pursuant to an electronic
23 gaming license.

1 (230 ILCS 5/3.35 new)

2 Sec. 3.35. Electronic gaming license. "Electronic gaming
3 license" means a license issued by the Illinois Gaming Board
4 under Section 7.6 of the Illinois Gambling Act authorizing
5 electronic gaming at an electronic gaming facility.

6 (230 ILCS 5/3.36 new)

7 Sec. 3.36. Electronic gaming facility. "Electronic gaming
8 facility" means that portion of an organization licensee's race
9 track facility at which electronic gaming is conducted.

10 (230 ILCS 5/6) (from Ch. 8, par. 37-6)

11 Sec. 6. Restrictions on Board members.

12 (a) No person shall be appointed a member of the Board or
13 continue to be a member of the Board if the person or any
14 member of their immediate family is a member of the Board of
15 Directors, employee, or financially interested in any of the
16 following: (i) any licensee or other person who has applied for
17 racing dates to the Board, or the operations thereof including,
18 but not limited to, concessions, data processing, track
19 maintenance, track security, and pari-mutuel operations,
20 located, scheduled or doing business within the State of
21 Illinois, (ii) any race horse competing at a meeting under the
22 Board's jurisdiction, or (iii) any licensee under the Illinois
23 Gambling Act. No person shall be appointed a member of the

1 ~~Board or continue to be a member of the Board who is (or any~~
2 ~~member of whose family is) a member of the Board of Directors~~
3 ~~of, or who is a person financially interested in, any licensee~~
4 ~~or other person who has applied for racing dates to the Board,~~
5 ~~or the operations thereof including, but not limited to,~~
6 ~~concessions, data processing, track maintenance, track~~
7 ~~security and pari mutuel operations, located, scheduled or~~
8 ~~doing business within the State of Illinois, or in any race~~
9 ~~horse competing at a meeting under the Board's jurisdiction. No~~
10 ~~Board member shall hold any other public office for which he~~
11 ~~shall receive compensation other than necessary travel or other~~
12 ~~incidental expenses.~~

13 (b) No person shall be a member of the Board who is not of
14 good moral character or who has been convicted of, or is under
15 indictment for, a felony under the laws of Illinois or any
16 other state, or the United States.

17 (c) No member of the Board or employee shall engage in any
18 political activity. For the purposes of this Section,
19 "political" means any activity in support of or in connection
20 with any campaign for State or local elective office or any
21 political organization, but does not include activities (i)
22 relating to the support or opposition of any executive,
23 legislative, or administrative action (as those terms are
24 defined in Section 2 of the Lobbyist Registration Act), (ii)
25 relating to collective bargaining, or (iii) that are otherwise
26 in furtherance of the person's official State duties or

1 governmental and public service functions.

2 (d) Board members and employees may not engage in
3 communications or any activity that may cause or have the
4 appearance of causing a conflict of interest. A conflict of
5 interest exists if a situation influences or creates the
6 appearance that it may influence judgment or performance of
7 regulatory duties and responsibilities. This prohibition shall
8 extend to any act identified by Board action that, in the
9 judgment of the Board, could represent the potential for or the
10 appearance of a conflict of interest.

11 (e) Board members and employees may not accept any gift,
12 gratuity, service, compensation, travel, lodging, or thing of
13 value, with the exception of unsolicited items of an incidental
14 nature, from any person, corporation, or entity doing business
15 with the Board.

16 (f) A Board member or employee shall not use or attempt to
17 use his or her official position to secure, or attempt to
18 secure, any privilege, advantage, favor, or influence for
19 himself or herself or others. No Board member or employee,
20 within a period of one year immediately preceding nomination by
21 the Governor or employment, shall have been employed or
22 received compensation or fees for services from a person or
23 entity, or its parent or affiliate, that has engaged in
24 business with the Board, a licensee or a licensee under the
25 Illinois Gambling Act. In addition, all Board members and
26 employees are subject to the restrictions set forth in Section

1 5-45 of the State Officials and Employees Ethics Act.

2 (Source: P.A. 89-16, eff. 5-30-95.)

3 (230 ILCS 5/9) (from Ch. 8, par. 37-9)

4 Sec. 9. The Board shall have all powers necessary and
5 proper to fully and effectively execute the provisions of this
6 Act, including, but not limited to, the following:

7 (a) The Board is vested with jurisdiction and supervision
8 over all race meetings in this State, over all licensees doing
9 business in this State, over all occupation licensees, and over
10 all persons on the facilities of any licensee. Such
11 jurisdiction shall include the power to issue licenses to the
12 Illinois Department of Agriculture authorizing the pari-mutuel
13 system of wagering on harness and Quarter Horse races held ~~(1)~~
14 ~~at the Illinois State Fair in Sangamon County, and (2) at the~~
15 DuQuoin State Fair in Perry County. The jurisdiction of the
16 Board shall also include the power to issue licenses to county
17 fairs which are eligible to receive funds pursuant to the
18 Agricultural Fair Act, as now or hereafter amended, or their
19 agents, authorizing the pari-mutuel system of wagering on horse
20 races conducted at the county fairs receiving such licenses.
21 Such licenses shall be governed by subsection (n) of this
22 Section.

23 Upon application, the Board shall issue a license to the
24 Illinois Department of Agriculture to conduct harness and
25 Quarter Horse races ~~at the Illinois State Fair and at the~~

1 DuQuoin State Fairgrounds during the scheduled dates of each
2 fair. The Board shall not require and the Department of
3 Agriculture shall be exempt from the requirements of Sections
4 15.3, 18 and 19, paragraphs (a)(2), (b), (c), (d), (e), (e-5),
5 (e-10), (f), (g), and (h) of Section 20, and Sections 21, 24
6 and 25. The Board and the Department of Agriculture may extend
7 any or all of these exemptions to any contractor or agent
8 engaged by the Department of Agriculture to conduct its race
9 meetings when the Board determines that this would best serve
10 the public interest and the interest of horse racing.

11 Upon application, the Board may issue a license to the
12 Illinois State Fairgrounds Racetrack Authority authorizing the
13 pari-mutuel system of wagering on live harness races,
14 inter-track wagering, and simulcast wagering through a racing
15 contractor, as that term is defined in the Illinois State
16 Fairgrounds Racetrack Authority Act, at the Illinois State
17 Fairgrounds in Sangamon County. Live harness races conducted in
18 Sangamon County shall conclude before 7:00 p.m. each racing
19 day. Revenues received by the Board from this license shall be
20 deposited into the Horse Racing Fund.

21 Notwithstanding any provision of law to the contrary, it
22 shall be lawful for any licensee to operate pari-mutuel
23 wagering or contract with the Department of Agriculture to
24 operate pari-mutuel wagering at the DuQuoin State Fairgrounds
25 or for the Department to enter into contracts with a licensee,
26 employ its owners, employees or agents and employ such other

1 occupation licensees as the Department deems necessary in
2 connection with race meetings and wagerings.

3 (b) The Board is vested with the full power to promulgate
4 reasonable rules and regulations for the purpose of
5 administering the provisions of this Act and to prescribe
6 reasonable rules, regulations and conditions under which all
7 horse race meetings or wagering in the State shall be
8 conducted. Such reasonable rules and regulations are to provide
9 for the prevention of practices detrimental to the public
10 interest and to promote the best interests of horse racing and
11 to impose penalties for violations thereof.

12 (c) The Board, and any person or persons to whom it
13 delegates this power, is vested with the power to enter the
14 facilities and other places of business of any licensee to
15 determine whether there has been compliance with the provisions
16 of this Act and its rules and regulations.

17 (d) The Board, and any person or persons to whom it
18 delegates this power, is vested with the authority to
19 investigate alleged violations of the provisions of this Act,
20 its reasonable rules and regulations, orders and final
21 decisions; the Board shall take appropriate disciplinary
22 action against any licensee or occupation licensee for
23 violation thereof or institute appropriate legal action for the
24 enforcement thereof.

25 (e) The Board, and any person or persons to whom it
26 delegates this power, may eject or exclude from any race

1 meeting or the facilities of any licensee, or any part thereof,
2 any occupation licensee or any other individual whose conduct
3 or reputation is such that his presence on those facilities
4 may, in the opinion of the Board, call into question the
5 honesty and integrity of horse racing or wagering or interfere
6 with the orderly conduct of horse racing or wagering; provided,
7 however, that no person shall be excluded or ejected from the
8 facilities of any licensee solely on the grounds of race,
9 color, creed, national origin, ancestry, or sex. The power to
10 eject or exclude an occupation licensee or other individual may
11 be exercised for just cause by the licensee or the Board,
12 subject to subsequent hearing by the Board as to the propriety
13 of said exclusion.

14 (f) The Board is vested with the power to acquire,
15 establish, maintain and operate (or provide by contract to
16 maintain and operate) testing laboratories and related
17 facilities, for the purpose of conducting saliva, blood, urine
18 and other tests on the horses run or to be run in any horse race
19 meeting, including races run at county fairs, and to purchase
20 all equipment and supplies deemed necessary or desirable in
21 connection with any such testing laboratories and related
22 facilities and all such tests.

23 (g) The Board may require that the records, including
24 financial or other statements of any licensee or any person
25 affiliated with the licensee who is involved directly or
26 indirectly in the activities of any licensee as regulated under

1 this Act to the extent that those financial or other statements
2 relate to such activities be kept in such manner as prescribed
3 by the Board, and that Board employees shall have access to
4 those records during reasonable business hours. Within 120 days
5 of the end of its fiscal year, each licensee shall transmit to
6 the Board an audit of the financial transactions and condition
7 of the licensee's total operations. All audits shall be
8 conducted by certified public accountants. Each certified
9 public accountant must be registered in the State of Illinois
10 under the Illinois Public Accounting Act. The compensation for
11 each certified public accountant shall be paid directly by the
12 licensee to the certified public accountant. A licensee shall
13 also submit any other financial or related information the
14 Board deems necessary to effectively administer this Act and
15 all rules, regulations, and final decisions promulgated under
16 this Act.

17 (h) The Board shall name and appoint in the manner provided
18 by the rules and regulations of the Board: an Executive
19 Director; a State director of mutuels; State veterinarians and
20 representatives to take saliva, blood, urine and other tests on
21 horses; licensing personnel; revenue inspectors; and State
22 seasonal employees (excluding admission ticket sellers and
23 mutuel clerks). All of those named and appointed as provided in
24 this subsection shall serve during the pleasure of the Board;
25 their compensation shall be determined by the Board and be paid
26 in the same manner as other employees of the Board under this

1 Act.

2 (i) The Board shall require that there shall be 3 stewards
3 at each horse race meeting, at least 2 of whom shall be named
4 and appointed by the Board. Stewards appointed or approved by
5 the Board, while performing duties required by this Act or by
6 the Board, shall be entitled to the same rights and immunities
7 as granted to Board members and Board employees in Section 10
8 of this Act.

9 (j) The Board may discharge any Board employee who fails or
10 refuses for any reason to comply with the rules and regulations
11 of the Board, or who, in the opinion of the Board, is guilty of
12 fraud, dishonesty or who is proven to be incompetent. The Board
13 shall have no right or power to determine who shall be
14 officers, directors or employees of any licensee, or their
15 salaries except the Board may, by rule, require that all or any
16 officials or employees in charge of or whose duties relate to
17 the actual running of races be approved by the Board.

18 (k) The Board is vested with the power to appoint delegates
19 to execute any of the powers granted to it under this Section
20 for the purpose of administering this Act and any rules or
21 regulations promulgated in accordance with this Act.

22 (l) The Board is vested with the power to impose civil
23 penalties of up to \$5,000 against an individual and up to
24 \$10,000 against a licensee for each violation of any provision
25 of this Act, any rules adopted by the Board, any order of the
26 Board or any other action which, in the Board's discretion, is

1 a detriment or impediment to horse racing or wagering. All such
2 civil penalties shall be deposited into the Horse Racing Fund.

3 (m) The Board is vested with the power to prescribe a form
4 to be used by licensees as an application for employment for
5 employees of each licensee.

6 (n) The Board shall have the power to issue a license to
7 any county fair, or its agent, authorizing the conduct of the
8 pari-mutuel system of wagering. The Board is vested with the
9 full power to promulgate reasonable rules, regulations and
10 conditions under which all horse race meetings licensed
11 pursuant to this subsection shall be held and conducted,
12 including rules, regulations and conditions for the conduct of
13 the pari-mutuel system of wagering. The rules, regulations and
14 conditions shall provide for the prevention of practices
15 detrimental to the public interest and for the best interests
16 of horse racing, and shall prescribe penalties for violations
17 thereof. Any authority granted the Board under this Act shall
18 extend to its jurisdiction and supervision over county fairs,
19 or their agents, licensed pursuant to this subsection. However,
20 the Board may waive any provision of this Act or its rules or
21 regulations which would otherwise apply to such county fairs or
22 their agents.

23 (o) Whenever the Board is authorized or required by law to
24 consider some aspect of criminal history record information for
25 the purpose of carrying out its statutory powers and
26 responsibilities, then, upon request and payment of fees in

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

6 (p) To insure the convenience, comfort, and waging
7 accessibility of race track patrons, to provide for the
8 maximization of State revenue, and to generate increases in
9 purse allotments to the horsemen, the Board shall require any
10 licensee to staff the pari-mutuel department with adequate
11 personnel.

12 (Source: P.A. 91-239, eff. 1-1-00.)

13 (230 ILCS 5/15) (from Ch. 8, par. 37-15)

14 Sec. 15. (a) The Board shall, in its discretion, issue
15 occupation licenses to horse owners, trainers, harness
16 drivers, jockeys, agents, apprentices, grooms, stable foremen,
17 exercise persons, veterinarians, valets, blacksmiths,
18 concessionaires and others designated by the Board whose work,
19 in whole or in part, is conducted upon facilities within the
20 State. Such occupation licenses will be obtained prior to the
21 persons engaging in their vocation upon such facilities. The
22 Board shall not license pari-mutuel clerks, parking
23 attendants, security guards and employees of concessionaires.
24 No occupation license shall be required of any person who works
25 at facilities within this State as a pari-mutuel clerk, parking

1 attendant, security guard or as an employee of a
2 concessionaire. Concessionaires of the Illinois State Fair and
3 DuQuoin State Fair and employees of the Illinois Department of
4 Agriculture shall not be required to obtain an occupation
5 license by the Board.

6 (b) Each application for an occupation license shall be on
7 forms prescribed by the Board. Such license, when issued, shall
8 be for the period ending December 31 of each year, except that
9 the Board in its discretion may grant 3-year licenses. The
10 application shall be accompanied by a fee of not more than \$25
11 per year or, in the case of 3-year occupation license
12 applications, a fee of not more than \$60. Each applicant shall
13 set forth in the application his full name and address, and if
14 he had been issued prior occupation licenses or has been
15 licensed in any other state under any other name, such name,
16 his age, whether or not a permit or license issued to him in
17 any other state has been suspended or revoked and if so whether
18 such suspension or revocation is in effect at the time of the
19 application, and such other information as the Board may
20 require. Fees for registration of stable names shall not exceed
21 \$50.00.

22 (c) The Board may in its discretion refuse an occupation
23 license to any person:

24 (1) who has been convicted of a crime;

25 (2) who is unqualified to perform the duties required
26 of such applicant;

1 (3) who fails to disclose or states falsely any
2 information called for in the application;

3 (4) who has been found guilty of a violation of this
4 Act or of the rules and regulations of the Board; or

5 (5) whose license or permit has been suspended, revoked
6 or denied for just cause in any other state.

7 (d) The Board may suspend or revoke any occupation license:

8 (1) for violation of any of the provisions of this Act;
9 or

10 (2) for violation of any of the rules or regulations of
11 the Board; or

12 (3) for any cause which, if known to the Board, would
13 have justified the Board in refusing to issue such
14 occupation license; or

15 (4) for any other just cause.

16 (e) Each applicant shall submit his or her fingerprints
17 to the Department of State Police in the form and manner
18 prescribed by the Department of State Police. These
19 fingerprints shall be checked against the fingerprint records
20 now and hereafter filed in the Department of State Police and
21 Federal Bureau of Investigation criminal history records
22 databases. The Department of State Police shall charge a fee
23 for conducting the criminal history records check, which shall
24 be deposited in the State Police Services Fund and shall not
25 exceed the actual cost of the records check. The Department of
26 State Police shall furnish, pursuant to positive

1 identification, records of conviction to the Board. Each
2 applicant for licensure shall submit with his occupation
3 license application, on forms provided by the Board, 2 sets of
4 his fingerprints. All such applicants shall appear in person at
5 the location designated by the Board for the purpose of
6 submitting such sets of fingerprints; however, with the prior
7 approval of a State steward, an applicant may have such sets of
8 fingerprints taken by an official law enforcement agency and
9 submitted to the Board.

10 (f) The Board may, in its discretion, issue an occupation
11 license without submission of fingerprints ~~if an applicant has~~
12 ~~been duly licensed in another recognized racing jurisdiction~~
13 ~~after submitting fingerprints that were subjected to a Federal~~
14 ~~Bureau of Investigation criminal history background check in~~
15 ~~that jurisdiction.~~

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

17 (230 ILCS 5/15.1) (from Ch. 8, par. 37-15.1)

18 Sec. 15.1. Upon collection of the fee accompanying the
19 application for an occupation license, the Board shall be
20 authorized to make daily temporary deposits of the fees, for a
21 period not to exceed 7 days, with the horsemen's bookkeeper at
22 a race meeting. The horsemen's bookkeeper shall issue a check,
23 payable to the order of the Illinois Racing Board, for monies
24 deposited under this Section within 24 hours of receipt of the
25 monies. Provided however, upon the issuance of the check by the

1 horsemen's bookkeeper the check shall be deposited into the
2 Horse Racing Fund ~~in the State Treasury in accordance with the~~
3 ~~provisions of the "State Officers and Employees Money~~
4 ~~Disposition Act", approved June 9, 1911, as amended.~~

5 (Source: P.A. 84-432.)

6 (230 ILCS 5/18) (from Ch. 8, par. 37-18)

7 Sec. 18. (a) Together with its application, each applicant
8 for racing dates shall deliver to the Board a certified check
9 or bank draft payable to the order of the Board for \$1,000. In
10 the event the applicant applies for racing dates in 2 or 3
11 successive calendar years as provided in subsection (b) of
12 Section 21, the fee shall be \$2,000. Filing fees shall not be
13 refunded in the event the application is denied. All filing
14 fees shall be deposited into the Horse Racing Fund.

15 (b) In addition to the filing fee of \$1000 and the fees
16 provided in subsection (j) of Section 20, each organization
17 licensee shall pay a license fee of \$100 for each racing
18 program on which its daily pari-mutuel handle is \$400,000 or
19 more but less than \$700,000, and a license fee of \$200 for each
20 racing program on which its daily pari-mutuel handle is
21 \$700,000 or more. The additional fees required to be paid under
22 this Section by this amendatory Act of 1982 shall be remitted
23 by the organization licensee to the Illinois Racing Board with
24 each day's graduated privilege tax or pari-mutuel tax and
25 breakage as provided under Section 27.

1 (c) Sections 11-42-1, 11-42-5, and 11-54-1 of the "Illinois
2 Municipal Code," approved May 29, 1961, as now or hereafter
3 amended, shall not apply to any license under this Act.

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

5 (230 ILCS 5/19) (from Ch. 8, par. 37-19)

6 Sec. 19. (a) No organization license may be granted to
7 conduct a horse race meeting:

8 (1) except as provided in subsection (c) of Section 21
9 of this Act, to any person at any place within 35 miles of
10 any other place licensed by the Board to hold a race
11 meeting on the same date during the same hours, the mileage
12 measurement used in this subsection (a) shall be certified
13 to the Board by the Bureau of Systems and Services in the
14 Illinois Department of Transportation as the most commonly
15 used public way of vehicular travel;

16 (2) to any person in default in the payment of any
17 obligation or debt due the State under this Act, provided
18 no applicant shall be deemed in default in the payment of
19 any obligation or debt due to the State under this Act as
20 long as there is pending a hearing of any kind relevant to
21 such matter;

22 (3) to any person who has been convicted of the
23 violation of any law of the United States or any State law
24 which provided as all or part of its penalty imprisonment
25 in any penal institution; to any person against whom there

1 is pending a Federal or State criminal charge; to any
2 person who is or has been connected with or engaged in the
3 operation of any illegal business; to any person who does
4 not enjoy a general reputation in his community of being an
5 honest, upright, law-abiding person; provided that none of
6 the matters set forth in this subparagraph (3) shall make
7 any person ineligible to be granted an organization license
8 if the Board determines, based on circumstances of any such
9 case, that the granting of a license would not be
10 detrimental to the interests of horse racing and of the
11 public;

12 (4) to any person who does not at the time of
13 application for the organization license own or have a
14 contract or lease for the possession of a finished race
15 track suitable for the type of racing intended to be held
16 by the applicant and for the accommodation of the public.

17 (b) (Blank) ~~Horse racing on Sunday shall be prohibited~~
18 ~~unless authorized by ordinance or referendum of the~~
19 ~~municipality in which a race track or any of its appurtenances~~
20 ~~or facilities are located, or utilized.~~

21 (c) If any person is ineligible to receive an organization
22 license because of any of the matters set forth in subsection
23 (a) (2) or subsection (a) (3) of this Section, any other or
24 separate person that either (i) controls, directly or
25 indirectly, such ineligible person or (ii) is controlled,
26 directly or indirectly, by such ineligible person or by a

1 person which controls, directly or indirectly, such ineligible
2 person shall also be ineligible.

3 (Source: P.A. 88-495; 89-16, eff. 5-30-95.)

4 (230 ILCS 5/20) (from Ch. 8, par. 37-20)

5 Sec. 20. (a) Any person desiring to conduct a horse race
6 meeting may apply to the Board for an organization license. The
7 application shall be made on a form prescribed and furnished by
8 the Board. The application shall specify:

9 (1) the dates on which it intends to conduct the horse
10 race meeting, which dates shall be provided under Section
11 21;

12 (2) the hours of each racing day between which it
13 intends to hold or conduct horse racing at such meeting;

14 (3) the location where it proposes to conduct the
15 meeting; and

16 (4) any other information the Board may reasonably
17 require.

18 (b) A separate application for an organization license
19 shall be filed for each horse race meeting which such person
20 proposes to hold. Any such application, if made by an
21 individual, or by any individual as trustee, shall be signed
22 and verified under oath by such individual. If made by
23 individuals or a partnership, it shall be signed and verified
24 under oath by at least 2 of such individuals or members of such
25 partnership as the case may be. If made by an association,

1 corporation, corporate trustee or any other entity, it shall be
2 signed by the president and attested by the secretary or
3 assistant secretary under the seal of such association, trust
4 or corporation if it has a seal, and shall also be verified
5 under oath by one of the signing officers.

6 (c) The application shall specify the name of the persons,
7 association, trust, or corporation making such application and
8 the post office address of the applicant; if the applicant is a
9 trustee, the names and addresses of the beneficiaries; if a
10 corporation, the names and post office addresses of all
11 officers, stockholders and directors; or if such stockholders
12 hold stock as a nominee or fiduciary, the names and post office
13 addresses of these persons, partnerships, corporations, or
14 trusts who are the beneficial owners thereof or who are
15 beneficially interested therein; and if a partnership, the
16 names and post office addresses of all partners, general or
17 limited; if the applicant is a corporation, the name of the
18 state of its incorporation shall be specified.

19 (d) The applicant shall execute and file with the Board a
20 good faith affirmative action plan to recruit, train, and
21 upgrade minorities in all classifications within the
22 association.

23 (e) With such application there shall be delivered to the
24 Board a certified check or bank draft payable to the order of
25 the Board for an amount equal to \$1,000. All applications for
26 the issuance of an organization license shall be filed with the

1 Board before August 1 of the year prior to the year for which
2 application is made and shall be acted upon by the Board at a
3 meeting to be held on such date as shall be fixed by the Board
4 during the last 15 days of September of such prior year. At
5 such meeting, the Board shall announce the award of the racing
6 meets, live racing schedule, and designation of host track to
7 the applicants and its approval or disapproval of each
8 application. No announcement shall be considered binding until
9 a formal order is executed by the Board, which shall be
10 executed no later than October 15 of that prior year. Absent
11 the agreement of the affected organization licensees, the Board
12 shall not grant overlapping race meetings to 2 or more tracks
13 that are within 100 miles of each other to conduct the
14 thoroughbred racing.

15 (e-1) In awarding standardbred racing dates for calendar
16 year 2012 and thereafter, the Board shall award at least 310
17 racing days, and each organization licensee shall average at
18 least 12 races for each racing day awarded. The Board shall
19 have the discretion to allocate those racing days among
20 organization licensees requesting standardbred race dates.
21 Once awarded by the Board, organization licensees awarded
22 standardbred dates shall run at least 3,500 races in total
23 during that calendar year. Standardbred racing conducted in
24 Sangamon County shall not be considered races under this
25 subsection (e-1).

26 (e-2) In awarding racing dates for calendar year 2012 and

1 thereafter, the Board shall award racing dates and the
2 organization licensees shall run at least 2,500 thoroughbred
3 races at Cook County race tracks and 700 thoroughbred races at
4 a race track in Madison County each year. In awarding racing
5 dates under this subsection (e-2), the Board shall have the
6 discretion to allocate those racing dates among organization
7 licensees.

8 (e-3) The Board shall ensure that each organization
9 licensee shall individually run a sufficient number of races
10 per year to qualify for an electronic gaming license under
11 Section 7.6 of the Illinois Gambling Act.

12 (e-4) Notwithstanding the provisions of Section 7.6 of the
13 Illinois Gambling Act, for each calendar year for which an
14 electronic gaming licensee requests a number of live racing
15 days under its organization license that is less than the
16 number of days of live racing awarded in 2009 for its race
17 track facility, the electronic gaming licensee may not conduct
18 electronic gaming for the calendar year of such requested
19 racing days. The number of days of live racing may be adjusted,
20 on a year-by-year basis, because of weather or unsafe track
21 conditions due to acts of God or an agreement between the
22 organization licensee and the association representing the
23 largest number of owners, trainers, or standardbred drivers who
24 race horses at that organization licensee's racing meeting.

25 (e-5) In reviewing an application for the purpose of
26 granting an organization license consistent with the best

1 interests of the public and the sport of horse racing, the
2 Board shall consider:

3 (1) the character, reputation, experience, and
4 financial integrity of the applicant and of any other
5 separate person that either:

6 (i) controls the applicant, directly or
7 indirectly, or

8 (ii) is controlled, directly or indirectly, by
9 that applicant or by a person who controls, directly or
10 indirectly, that applicant;

11 (2) the applicant's facilities or proposed facilities
12 for conducting horse racing;

13 (3) the total revenue without regard to Section 32.1 to
14 be derived by the State and horsemen from the applicant's
15 conducting a race meeting;

16 (4) the applicant's good faith affirmative action plan
17 to recruit, train, and upgrade minorities in all employment
18 classifications;

19 (5) the applicant's financial ability to purchase and
20 maintain adequate liability and casualty insurance;

21 (6) the applicant's proposed and prior year's
22 promotional and marketing activities and expenditures of
23 the applicant associated with those activities;

24 (7) an agreement, if any, among organization licensees
25 as provided in subsection (b) of Section 21 of this Act;
26 and

1 (8) the extent to which the applicant exceeds or meets
2 other standards for the issuance of an organization license
3 that the Board shall adopt by rule.

4 In granting organization licenses and allocating dates for
5 horse race meetings, the Board shall have discretion to
6 determine an overall schedule, including required simulcasts
7 of Illinois races by host tracks that will, in its judgment, be
8 conducive to the best interests of the public and the sport of
9 horse racing.

10 (e-10) The Illinois Administrative Procedure Act shall
11 apply to administrative procedures of the Board under this Act
12 for the granting of an organization license, except that (1)
13 notwithstanding the provisions of subsection (b) of Section
14 10-40 of the Illinois Administrative Procedure Act regarding
15 cross-examination, the Board may prescribe rules limiting the
16 right of an applicant or participant in any proceeding to award
17 an organization license to conduct cross-examination of
18 witnesses at that proceeding where that cross-examination
19 would unduly obstruct the timely award of an organization
20 license under subsection (e) of Section 20 of this Act; (2) the
21 provisions of Section 10-45 of the Illinois Administrative
22 Procedure Act regarding proposals for decision are excluded
23 under this Act; (3) notwithstanding the provisions of
24 subsection (a) of Section 10-60 of the Illinois Administrative
25 Procedure Act regarding ex parte communications, the Board may
26 prescribe rules allowing ex parte communications with

1 applicants or participants in a proceeding to award an
2 organization license where conducting those communications
3 would be in the best interest of racing, provided all those
4 communications are made part of the record of that proceeding
5 pursuant to subsection (c) of Section 10-60 of the Illinois
6 Administrative Procedure Act; (4) the provisions of Section 14a
7 of this Act and the rules of the Board promulgated under that
8 Section shall apply instead of the provisions of Article 10 of
9 the Illinois Administrative Procedure Act regarding
10 administrative law judges; and (5) the provisions of subsection
11 (d) of Section 10-65 of the Illinois Administrative Procedure
12 Act that prevent summary suspension of a license pending
13 revocation or other action shall not apply.

14 (f) The Board may allot racing dates to an organization
15 licensee for more than one calendar year but for no more than 3
16 successive calendar years in advance, provided that the Board
17 shall review such allotment for more than one calendar year
18 prior to each year for which such allotment has been made. The
19 granting of an organization license to a person constitutes a
20 privilege to conduct a horse race meeting under the provisions
21 of this Act, and no person granted an organization license
22 shall be deemed to have a vested interest, property right, or
23 future expectation to receive an organization license in any
24 subsequent year as a result of the granting of an organization
25 license. Organization licenses shall be subject to revocation
26 if the organization licensee has violated any provision of this

1 Act or the rules and regulations promulgated under this Act or
2 has been convicted of a crime or has failed to disclose or has
3 stated falsely any information called for in the application
4 for an organization license. Any organization license
5 revocation proceeding shall be in accordance with Section 16
6 regarding suspension and revocation of occupation licenses.

7 (f-5) If, (i) an applicant does not file an acceptance of
8 the racing dates awarded by the Board as required under part
9 (1) of subsection (h) of this Section 20, or (ii) an
10 organization licensee has its license suspended or revoked
11 under this Act, the Board, upon conducting an emergency hearing
12 as provided for in this Act, may reaward on an emergency basis
13 pursuant to rules established by the Board, racing dates not
14 accepted or the racing dates associated with any suspension or
15 revocation period to one or more organization licensees, new
16 applicants, or any combination thereof, upon terms and
17 conditions that the Board determines are in the best interest
18 of racing, provided, the organization licensees or new
19 applicants receiving the awarded racing dates file an
20 acceptance of those reawarded racing dates as required under
21 paragraph (1) of subsection (h) of this Section 20 and comply
22 with the other provisions of this Act. The Illinois
23 Administrative Procedure ~~Procedures~~ Act shall not apply to the
24 administrative procedures of the Board in conducting the
25 emergency hearing and the reallocation of racing dates on an
26 emergency basis.

1 (g) (Blank).

2 (h) The Board shall send the applicant a copy of its
3 formally executed order by certified mail addressed to the
4 applicant at the address stated in his application, which
5 notice shall be mailed within 5 days of the date the formal
6 order is executed.

7 Each applicant notified shall, within 10 days after receipt
8 of the final executed order of the Board awarding racing dates:

9 (1) file with the Board an acceptance of such award in
10 the form prescribed by the Board;

11 (2) pay to the Board an additional amount equal to \$110
12 for each racing date awarded; and

13 (3) file with the Board the bonds required in Sections
14 21 and 25 at least 20 days prior to the first day of each
15 race meeting.

16 Upon compliance with the provisions of paragraphs (1), (2), and
17 (3) of this subsection (h), the applicant shall be issued an
18 organization license.

19 If any applicant fails to comply with this Section or fails
20 to pay the organization license fees herein provided, no
21 organization license shall be issued to such applicant.

22 (Source: P.A. 91-40, eff. 6-25-99; revised 9-16-10.)

23 (230 ILCS 5/24) (from Ch. 8, par. 37-24)

24 Sec. 24. (a) No license shall be issued to or held by an
25 organization licensee unless all of its officers, directors,

1 and holders of ownership interests of at least 5% are first
2 approved by the Board. The Board shall not give approval of an
3 organization license application to any person who has been
4 convicted of or is under an indictment for a crime of moral
5 turpitude or has violated any provision of the racing law of
6 this State or any rules of the Board.

7 (b) An organization licensee must notify the Board within
8 10 days of any change in the holders of a direct or indirect
9 interest in the ownership of the organization licensee. The
10 Board may, after hearing, revoke the organization license of
11 any person who registers on its books or knowingly permits a
12 direct or indirect interest in the ownership of that person
13 without notifying the Board of the name of the holder in
14 interest within this period.

15 (c) In addition to the provisions of subsection (a) of this
16 Section, no person shall be granted an organization license if
17 any public official of the State or member of his or her family
18 holds any ownership or financial interest, directly or
19 indirectly, in the person.

20 (d) No person which has been granted an organization
21 license to hold a race meeting shall give to any public
22 official or member of his family, directly or indirectly, for
23 or without consideration, any interest in the person. The Board
24 shall, after hearing, revoke the organization license granted
25 to a person which has violated this subsection.

26 (e) (Blank).

1 (f) No organization licensee or concessionaire or officer,
2 director or holder or controller of 5% or more legal or
3 beneficial interest in any organization licensee or concession
4 shall make any sort of gift or contribution that is prohibited
5 under Article 10 of the State Officials and Employees Ethics
6 Act of any kind or pay or give any money or other thing of value
7 to any person who is a public official, or a candidate or
8 nominee for public office if that payment or gift is prohibited
9 under Article 10 of the State Officials and Employees Ethics
10 Act.

11 (Source: P.A. 89-16, eff. 5-30-95.)

12 (230 ILCS 5/26) (from Ch. 8, par. 37-26)

13 Sec. 26. Wagering.

14 (a) Any licensee may conduct and supervise the pari-mutuel
15 system of wagering, as defined in Section 3.12 of this Act, on
16 horse races conducted by an Illinois organization licensee or
17 conducted at a racetrack located in another state or country
18 ~~and televised in Illinois~~ in accordance with subsection (g) of
19 Section 26 of this Act. Subject to the prior consent of the
20 Board, licensees may supplement any pari-mutuel pool in order
21 to guarantee a minimum distribution. Such pari-mutuel method of
22 wagering shall not, under any circumstances if conducted under
23 the provisions of this Act, be held or construed to be
24 unlawful, other statutes of this State to the contrary
25 notwithstanding. Subject to rules for advance wagering

1 promulgated by the Board, any licensee may accept wagers in
2 advance of the day of the race wagered upon occurs.

3 (b) Except for those gaming activities for which a license
4 is obtained and authorized under the Illinois Lottery Act, the
5 Charitable Games Act, the Raffles Act, or the Illinois Gambling
6 Act, no ~~no~~ other method of betting, pool making, wagering or
7 gambling shall be used or permitted by the licensee. Each
8 licensee may retain, subject to the payment of all applicable
9 taxes and purses, an amount not to exceed 17% of all money
10 wagered under subsection (a) of this Section, except as may
11 otherwise be permitted under this Act.

12 (b-5) An individual may place a wager under the pari-mutuel
13 system from any licensed location authorized under this Act
14 provided that wager is electronically recorded in the manner
15 described in Section 3.12 of this Act. Any wager made
16 electronically by an individual while physically on the
17 premises of a licensee shall be deemed to have been made at the
18 premises of that licensee.

19 (c) Until January 1, 2000, the sum held by any licensee for
20 payment of outstanding pari-mutuel tickets, if unclaimed prior
21 to December 31 of the next year, shall be retained by the
22 licensee for payment of such tickets until that date. Within 10
23 days thereafter, the balance of such sum remaining unclaimed,
24 less any uncashed supplements contributed by such licensee for
25 the purpose of guaranteeing minimum distributions of any
26 pari-mutuel pool, shall be paid to the Illinois Veterans'

1 Rehabilitation Fund of the State treasury, except as provided
2 in subsection (g) of Section 27 of this Act.

3 (c-5) Beginning January 1, 2000, the sum held by any
4 licensee for payment of outstanding pari-mutuel tickets, if
5 unclaimed prior to December 31 of the next year, shall be
6 retained by the licensee for payment of such tickets until that
7 date. Within 10 days thereafter, the balance of such sum
8 remaining unclaimed, less any uncashed supplements contributed
9 by such licensee for the purpose of guaranteeing minimum
10 distributions of any pari-mutuel pool, shall be evenly
11 distributed to the purse account of the organization licensee
12 and the organization licensee.

13 (d) A pari-mutuel ticket shall be honored until December 31
14 of the next calendar year, and the licensee shall pay the same
15 and may charge the amount thereof against unpaid money
16 similarly accumulated on account of pari-mutuel tickets not
17 presented for payment.

18 (e) No licensee shall knowingly permit any minor, other
19 than an employee of such licensee or an owner, trainer, jockey,
20 driver, or employee thereof, to be admitted during a racing
21 program unless accompanied by a parent or guardian, or any
22 minor to be a patron of the pari-mutuel system of wagering
23 conducted or supervised by it. The admission of any
24 unaccompanied minor, other than an employee of the licensee or
25 an owner, trainer, jockey, driver, or employee thereof at a
26 race track is a Class C misdemeanor.

1 (f) Notwithstanding the other provisions of this Act, an
2 organization licensee may contract with an entity in another
3 state or country to permit any legal wagering entity in another
4 state or country to accept wagers solely within such other
5 state or country on races conducted by the organization
6 licensee in this State. Beginning January 1, 2000, these wagers
7 shall not be subject to State taxation. Until January 1, 2000,
8 when the out-of-State entity conducts a pari-mutuel pool
9 separate from the organization licensee, a privilege tax equal
10 to 7 1/2% of all monies received by the organization licensee
11 from entities in other states or countries pursuant to such
12 contracts is imposed on the organization licensee, and such
13 privilege tax shall be remitted to the Department of Revenue
14 within 48 hours of receipt of the moneys from the simulcast.
15 When the out-of-State entity conducts a combined pari-mutuel
16 pool with the organization licensee, the tax shall be 10% of
17 all monies received by the organization licensee with 25% of
18 the receipts from this 10% tax to be distributed to the county
19 in which the race was conducted.

20 An organization licensee may permit one or more of its
21 races to be utilized for pari-mutuel wagering at one or more
22 locations in other states and may transmit audio and visual
23 signals of races the organization licensee conducts to one or
24 more locations outside the State or country and may also permit
25 pari-mutuel pools in other states or countries to be combined
26 with its gross or net wagering pools or with wagering pools

1 established by other states.

2 (g) A host track may accept interstate simulcast wagers on
3 horse races conducted in other states or countries and shall
4 control the number of signals and types of breeds of racing in
5 its simulcast program, subject to the disapproval of the Board.
6 The Board may prohibit a simulcast program only if it finds
7 that the simulcast program is clearly adverse to the integrity
8 of racing. The host track simulcast program shall include the
9 signal of live racing of all organization licensees. All
10 non-host licensees and advance deposit wagering licensees
11 shall carry the signal of and accept wagers on live racing of
12 all organization licensees. Advance deposit wagering licensees
13 shall not be permitted to accept out-of-state wagers on any
14 Illinois signal provided pursuant to this Section without the
15 approval and consent of the organization licensee providing the
16 signal. Non-host licensees may carry the host track simulcast
17 program and shall accept wagers on all races included as part
18 of the simulcast program upon which wagering is permitted. All
19 organization licensees shall provide their live signal to all
20 advance deposit wagering licensees for a simulcast commission
21 fee not to exceed 6% of the advance deposit wagering licensee's
22 Illinois handle on the organization licensee's signal without
23 prior approval by the Board. The Board may adopt rules under
24 which it may permit simulcast commission fees in excess of 6%.
25 The Board shall adopt rules limiting the interstate commission
26 fees charged to an advance deposit wagering licensee. The Board

1 shall adopt rules regarding advance deposit wagering on
2 interstate simulcast races that shall reflect, among other
3 things, the General Assembly's desire to maximize revenues to
4 the State, horsemen purses, and organizational licensees.
5 However, organization licensees providing live signals
6 pursuant to the requirements of this subsection (g) may
7 petition the Board to withhold their live signals from an
8 advance deposit wagering licensee if the organization licensee
9 discovers and the Board finds reputable or credible information
10 that the advance deposit wagering licensee is under
11 investigation by another state or federal governmental agency,
12 the advance deposit wagering licensee's license has been
13 suspended in another state, or the advance deposit wagering
14 licensee's license is in revocation proceedings in another
15 state. The organization licensee's provision of their live
16 signal to an advance deposit wagering licensee under this
17 subsection (g) pertains to wagers placed from within Illinois.
18 Advance deposit wagering licensees may place advance deposit
19 wagering terminals at wagering facilities as a convenience to
20 customers. The advance deposit wagering licensee shall not
21 charge or collect any fee from purses for the placement of the
22 advance deposit wagering terminals. The costs and expenses of
23 the host track and non-host licensees associated with
24 interstate simulcast wagering, other than the interstate
25 commission fee, shall be borne by the host track and all
26 non-host licensees incurring these costs. The interstate

1 commission fee shall not exceed 5% of Illinois handle on the
2 interstate simulcast race or races without prior approval of
3 the Board. The Board shall promulgate rules under which it may
4 permit interstate commission fees in excess of 5%. The
5 interstate commission fee and other fees charged by the sending
6 racetrack, including, but not limited to, satellite decoder
7 fees, shall be uniformly applied to the host track and all
8 non-host licensees.

9 Notwithstanding any other provision of this Act, for a
10 period of 3 years after the effective date of this amendatory
11 Act of the 96th General Assembly, an organization licensee,
12 other than the Illinois State Fairgrounds Racetrack Authority,
13 may maintain a system whereby advance deposit wagering may take
14 place or an organization licensee, other than the Illinois
15 State Fairgrounds Racetrack Authority, with the consent of the
16 horsemen association representing the largest number of
17 owners, trainers, jockeys, or standardbred drivers who race
18 horses at that organization licensee's racing meeting, may
19 contract with another person to carry out a system of advance
20 deposit wagering. Such consent may not be unreasonably
21 withheld. All advance deposit wagers placed from within
22 Illinois must be placed through a Board-approved advance
23 deposit wagering licensee; no other entity may accept an
24 advance deposit wager from a person within Illinois. All
25 advance deposit wagering is subject to any rules adopted by the
26 Board. The Board may adopt rules necessary to regulate advance

1 deposit wagering through the use of emergency rulemaking in
2 accordance with Section 5-45 of the Illinois Administrative
3 Procedure Act. The General Assembly finds that the adoption of
4 rules to regulate advance deposit wagering is deemed an
5 emergency and necessary for the public interest, safety, and
6 welfare. An advance deposit wagering licensee may retain all
7 moneys as agreed to by contract with an organization licensee.
8 Any moneys retained by the organization licensee from advance
9 deposit wagering, not including moneys retained by the advance
10 deposit wagering licensee, shall be paid 50% to the
11 organization licensee's purse account and 50% to the
12 organization licensee. If more than one breed races at the same
13 race track facility, then the 50% of the moneys to be paid to
14 an organization licensee's purse account shall be allocated
15 among all organization licensees' purse accounts operating at
16 that race track facility proportionately based on the actual
17 number of host days that the Board grants to that breed at that
18 race track facility in the current calendar year. To the extent
19 any fees from advance deposit wagering conducted in Illinois
20 for wagers in Illinois or other states have been placed in
21 escrow or otherwise withheld from wagers pending a
22 determination of the legality of advance deposit wagering, no
23 action shall be brought to declare such wagers or the
24 disbursement of any fees previously escrowed illegal.

25 (1) Between the hours of 6:30 a.m. and 6:30 p.m. an
26 intertrack wagering licensee other than the host track may

1 supplement the host track simulcast program with
2 additional simulcast races or race programs, provided that
3 between January 1 and the third Friday in February of any
4 year, inclusive, if no live thoroughbred racing is
5 occurring in Illinois during this period, only
6 thoroughbred races may be used for supplemental interstate
7 simulcast purposes. The Board shall withhold approval for a
8 supplemental interstate simulcast only if it finds that the
9 simulcast is clearly adverse to the integrity of racing. A
10 supplemental interstate simulcast may be transmitted from
11 an intertrack wagering licensee to its affiliated non-host
12 licensees. The interstate commission fee for a
13 supplemental interstate simulcast shall be paid by the
14 non-host licensee and its affiliated non-host licensees
15 receiving the simulcast.

16 (2) Between the hours of 6:30 p.m. and 6:30 a.m. an
17 intertrack wagering licensee other than the host track may
18 receive supplemental interstate simulcasts only with the
19 consent of the host track, except when the Board finds that
20 the simulcast is clearly adverse to the integrity of
21 racing. Consent granted under this paragraph (2) to any
22 intertrack wagering licensee shall be deemed consent to all
23 non-host licensees. The interstate commission fee for the
24 supplemental interstate simulcast shall be paid by all
25 participating non-host licensees.

26 (3) Each licensee conducting interstate simulcast

1 wagering may retain, subject to the payment of all
2 applicable taxes and the purses, an amount not to exceed
3 17% of all money wagered. If any licensee conducts the
4 pari-mutuel system wagering on races conducted at
5 racetracks in another state or country, each such race or
6 race program shall be considered a separate racing day for
7 the purpose of determining the daily handle and computing
8 the privilege tax of that daily handle as provided in
9 subsection (a) of Section 27. Until January 1, 2000, from
10 the sums permitted to be retained pursuant to this
11 subsection, each intertrack wagering location licensee
12 shall pay 1% of the pari-mutuel handle wagered on simulcast
13 wagering to the Horse Racing Tax Allocation Fund, subject
14 to the provisions of subparagraph (B) of paragraph (11) of
15 subsection (h) of Section 26 of this Act.

16 (4) A licensee who receives an interstate simulcast may
17 combine its gross or net pools with pools at the sending
18 racetracks pursuant to rules established by the Board. All
19 licensees combining their gross pools at a sending
20 racetrack shall adopt the take-out percentages of the
21 sending racetrack. A licensee may also establish a separate
22 pool and takeout structure for wagering purposes on races
23 conducted at race tracks outside of the State of Illinois.
24 The licensee may permit pari-mutuel wagers placed in other
25 states or countries to be combined with its gross or net
26 wagering pools or other wagering pools.

1 (5) After the payment of the interstate commission fee
2 (except for the interstate commission fee on a supplemental
3 interstate simulcast, which shall be paid by the host track
4 and by each non-host licensee through the host-track) and
5 all applicable State and local taxes, except as provided in
6 subsection (g) of Section 27 of this Act, the remainder of
7 moneys retained from simulcast wagering pursuant to this
8 subsection (g), and Section 26.2 shall be divided as
9 follows:

10 (A) For interstate simulcast wagers made at a host
11 track, 50% to the host track and 50% to purses at the
12 host track.

13 (B) For wagers placed on interstate simulcast
14 races, supplemental simulcasts as defined in
15 subparagraphs (1) and (2), and separately pooled races
16 conducted outside of the State of Illinois made at a
17 non-host licensee, 25% to the host track, 25% to the
18 non-host licensee, and 50% to the purses at the host
19 track.

20 (6) Notwithstanding any provision in this Act to the
21 contrary, non-host licensees who derive their licenses
22 from a track located in a county with a population in
23 excess of 230,000 and that borders the Mississippi River
24 may receive supplemental interstate simulcast races at all
25 times subject to Board approval, which shall be withheld
26 only upon a finding that a supplemental interstate

1 simulcast is clearly adverse to the integrity of racing.

2 (7) Notwithstanding any provision of this Act to the
3 contrary, after payment of all applicable State and local
4 taxes and interstate commission fees, non-host licensees
5 who derive their licenses from a track located in a county
6 with a population in excess of 230,000 and that borders the
7 Mississippi River shall retain 50% of the retention from
8 interstate simulcast wagers and shall pay 50% to purses at
9 the track from which the non-host licensee derives its
10 license as follows:

11 (A) Between January 1 and the third Friday in
12 February, inclusive, if no live thoroughbred racing is
13 occurring in Illinois during this period, when the
14 interstate simulcast is a standardbred race, the purse
15 share to its standardbred purse account;

16 (B) Between January 1 and the third Friday in
17 February, inclusive, if no live thoroughbred racing is
18 occurring in Illinois during this period, and the
19 interstate simulcast is a thoroughbred race, the purse
20 share to its interstate simulcast purse pool to be
21 distributed under paragraph (10) of this subsection
22 (g);

23 (C) Between January 1 and the third Friday in
24 February, inclusive, if live thoroughbred racing is
25 occurring in Illinois, between 6:30 a.m. and 6:30 p.m.
26 the purse share from wagers made during this time

1 period to its thoroughbred purse account and between
2 6:30 p.m. and 6:30 a.m. the purse share from wagers
3 made during this time period to its standardbred purse
4 accounts;

5 (D) Between the third Saturday in February and
6 December 31, when the interstate simulcast occurs
7 between the hours of 6:30 a.m. and 6:30 p.m., the purse
8 share to its thoroughbred purse account;

9 (E) Between the third Saturday in February and
10 December 31, when the interstate simulcast occurs
11 between the hours of 6:30 p.m. and 6:30 a.m., the purse
12 share to its standardbred purse account.

13 (7.1) Notwithstanding any other provision of this Act
14 to the contrary, if no standardbred racing is conducted at
15 a racetrack located in Madison County during any calendar
16 year beginning on or after January 1, 2002, all moneys
17 derived by that racetrack from simulcast wagering and
18 inter-track wagering that (1) are to be used for purses and
19 (2) are generated between the hours of 6:30 p.m. and 6:30
20 a.m. during that calendar year shall be paid as follows:

21 (A) If the licensee that conducts horse racing at
22 that racetrack requests from the Board at least as many
23 racing dates as were conducted in calendar year 2000,
24 80% shall be paid to its thoroughbred purse account;
25 and

26 (B) Twenty percent shall be deposited into the

1 Illinois Colt Stakes Purse Distribution Fund and shall
2 be paid to purses for standardbred races for Illinois
3 conceived and foaled horses conducted at any county
4 fairgrounds. The moneys deposited into the Fund
5 pursuant to this subparagraph (B) shall be deposited
6 within 2 weeks after the day they were generated, shall
7 be in addition to and not in lieu of any other moneys
8 paid to standardbred purses under this Act, and shall
9 not be commingled with other moneys paid into that
10 Fund. The moneys deposited pursuant to this
11 subparagraph (B) shall be allocated as provided by the
12 Department of Agriculture, with the advice and
13 assistance of the Illinois Standardbred Breeders Fund
14 Advisory Board. This subparagraph (B) shall no longer
15 apply when electronic gaming begins at the Illinois
16 State Fairgrounds.

17 (7.2) Notwithstanding any other provision of this Act
18 to the contrary, if no thoroughbred racing is conducted at
19 a racetrack located in Madison County during any calendar
20 year beginning on or after January 1, 2002, all moneys
21 derived by that racetrack from simulcast wagering and
22 inter-track wagering that (1) are to be used for purses and
23 (2) are generated between the hours of 6:30 a.m. and 6:30
24 p.m. during that calendar year shall be deposited as
25 follows:

26 (A) If the licensee that conducts horse racing at

1 that racetrack requests from the Board at least as many
2 racing dates as were conducted in calendar year 2000,
3 80% shall be deposited into its standardbred purse
4 account; and

5 (B) Twenty percent shall be deposited into the
6 Illinois Colt Stakes Purse Distribution Fund. Moneys
7 deposited into the Illinois Colt Stakes Purse
8 Distribution Fund pursuant to this subparagraph (B)
9 shall be paid to Illinois conceived and foaled
10 thoroughbred breeders' programs and to thoroughbred
11 purses for races conducted at any county fairgrounds
12 for Illinois conceived and foaled horses at the
13 discretion of the Department of Agriculture, with the
14 advice and assistance of the Illinois Thoroughbred
15 Breeders Fund Advisory Board. The moneys deposited
16 into the Illinois Colt Stakes Purse Distribution Fund
17 pursuant to this subparagraph (B) shall be deposited
18 within 2 weeks after the day they were generated, shall
19 be in addition to and not in lieu of any other moneys
20 paid to thoroughbred purses under this Act, and shall
21 not be commingled with other moneys deposited into that
22 Fund.

23 (7.3) If no live standardbred racing is conducted at a
24 racetrack located in Madison County in calendar year 2000
25 or 2001, an organization licensee who is licensed to
26 conduct horse racing at that racetrack shall, before

1 January 1, 2002, pay all moneys derived from simulcast
2 wagering and inter-track wagering in calendar years 2000
3 and 2001 and paid into the licensee's standardbred purse
4 account as follows:

5 (A) Eighty percent to that licensee's thoroughbred
6 purse account to be used for thoroughbred purses; and

7 (B) Twenty percent to the Illinois Colt Stakes
8 Purse Distribution Fund.

9 Failure to make the payment to the Illinois Colt Stakes
10 Purse Distribution Fund before January 1, 2002 shall result
11 in the immediate revocation of the licensee's organization
12 license, inter-track wagering license, and inter-track
13 wagering location license.

14 Moneys paid into the Illinois Colt Stakes Purse
15 Distribution Fund pursuant to this paragraph (7.3) shall be
16 paid to purses for standardbred races for Illinois
17 conceived and foaled horses conducted at any county
18 fairgrounds. Moneys paid into the Illinois Colt Stakes
19 Purse Distribution Fund pursuant to this paragraph (7.3)
20 shall be used as determined by the Department of
21 Agriculture, with the advice and assistance of the Illinois
22 Standardbred Breeders Fund Advisory Board, shall be in
23 addition to and not in lieu of any other moneys paid to
24 standardbred purses under this Act, and shall not be
25 commingled with any other moneys paid into that Fund.

26 (7.4) If live standardbred racing is conducted at a

1 racetrack located in Madison County at any time in calendar
2 year 2001 before the payment required under paragraph (7.3)
3 has been made, the organization licensee who is licensed to
4 conduct racing at that racetrack shall pay all moneys
5 derived by that racetrack from simulcast wagering and
6 inter-track wagering during calendar years 2000 and 2001
7 that (1) are to be used for purses and (2) are generated
8 between the hours of 6:30 p.m. and 6:30 a.m. during 2000 or
9 2001 to the standardbred purse account at that racetrack to
10 be used for standardbred purses.

11 (8) Notwithstanding any provision in this Act to the
12 contrary, an organization licensee from a track located in
13 a county with a population in excess of 230,000 and that
14 borders the Mississippi River and its affiliated non-host
15 licensees shall not be entitled to share in any retention
16 generated on racing, inter-track wagering, or simulcast
17 wagering at any other Illinois wagering facility.

18 (8.1) Notwithstanding any provisions in this Act to the
19 contrary, if 2 organization licensees are conducting
20 standardbred race meetings concurrently between the hours
21 of 6:30 p.m. and 6:30 a.m., after payment of all applicable
22 State and local taxes and interstate commission fees, the
23 remainder of the amount retained from simulcast wagering
24 otherwise attributable to the host track and to host track
25 purses shall be split daily between the 2 organization
26 licensees and the purses at the tracks of the 2

1 organization licensees, respectively, based on each
2 organization licensee's share of the total live handle for
3 that day, provided that this provision shall not apply to
4 any non-host licensee that derives its license from a track
5 located in a county with a population in excess of 230,000
6 and that borders the Mississippi River.

7 (9) (Blank).

8 (10) (Blank).

9 (11) (Blank).

10 (12) The Board shall have authority to compel all host
11 tracks to receive the simulcast of any or all races
12 conducted at the Springfield or DuQuoin State fairgrounds
13 and include all such races as part of their simulcast
14 programs.

15 (13) Notwithstanding any other provision of this Act,
16 in the event that the total Illinois pari-mutuel handle on
17 Illinois horse races at all wagering facilities in any
18 calendar year is less than 75% of the total Illinois
19 pari-mutuel handle on Illinois horse races at all such
20 wagering facilities for calendar year 1994, then each
21 wagering facility that has an annual total Illinois
22 pari-mutuel handle on Illinois horse races that is less
23 than 75% of the total Illinois pari-mutuel handle on
24 Illinois horse races at such wagering facility for calendar
25 year 1994, shall be permitted to receive, from any amount
26 otherwise payable to the purse account at the race track

1 with which the wagering facility is affiliated in the
2 succeeding calendar year, an amount equal to 2% of the
3 differential in total Illinois pari-mutuel handle on
4 Illinois horse races at the wagering facility between that
5 calendar year in question and 1994 provided, however, that
6 a wagering facility shall not be entitled to any such
7 payment until the Board certifies in writing to the
8 wagering facility the amount to which the wagering facility
9 is entitled and a schedule for payment of the amount to the
10 wagering facility, based on: (i) the racing dates awarded
11 to the race track affiliated with the wagering facility
12 during the succeeding year; (ii) the sums available or
13 anticipated to be available in the purse account of the
14 race track affiliated with the wagering facility for purses
15 during the succeeding year; and (iii) the need to ensure
16 reasonable purse levels during the payment period. The
17 Board's certification shall be provided no later than
18 January 31 of the succeeding year. In the event a wagering
19 facility entitled to a payment under this paragraph (13) is
20 affiliated with a race track that maintains purse accounts
21 for both standardbred and thoroughbred racing, the amount
22 to be paid to the wagering facility shall be divided
23 between each purse account pro rata, based on the amount of
24 Illinois handle on Illinois standardbred and thoroughbred
25 racing respectively at the wagering facility during the
26 previous calendar year. Annually, the General Assembly

1 shall appropriate sufficient funds from the General
2 Revenue Fund to the Department of Agriculture for payment
3 into the thoroughbred and standardbred horse racing purse
4 accounts at Illinois pari-mutuel tracks. The amount paid to
5 each purse account shall be the amount certified by the
6 Illinois Racing Board in January to be transferred from
7 each account to each eligible racing facility in accordance
8 with the provisions of this Section. Beginning in the
9 calendar year in which an organization licensee that is
10 eligible to receive payment under this paragraph (13)
11 begins to receive funds from electronic gaming, the amount
12 of the payment due to all wagering facilities licensed
13 under that organization licensee under this paragraph (13)
14 shall be the amount certified by the Board in January of
15 that year. An organization licensee and its related
16 wagering facilities shall no longer be able to receive
17 payments under this paragraph (13) beginning in the year
18 subsequent to the first year in which the organization
19 licensee begins to receive funds from electronic gaming.

20 (h) The Board may approve and license the conduct of
21 inter-track wagering and simulcast wagering by inter-track
22 wagering licensees and inter-track wagering location licensees
23 subject to the following terms and conditions:

24 (1) Any person licensed to conduct a race meeting (i)
25 at a track where 60 or more days of racing were conducted
26 during the immediately preceding calendar year or where

1 over the 5 immediately preceding calendar years an average
2 of 30 or more days of racing were conducted annually may be
3 issued an inter-track wagering license; (ii) at a track
4 located in a county that is bounded by the Mississippi
5 River, which has a population of less than 150,000
6 according to the 1990 decennial census, and an average of
7 at least 60 days of racing per year between 1985 and 1993
8 may be issued an inter-track wagering license; or (iii) at
9 a track located in Madison County that conducted at least
10 100 days of live racing during the immediately preceding
11 calendar year may be issued an inter-track wagering
12 license, unless a lesser schedule of live racing is the
13 result of (A) weather, unsafe track conditions, or other
14 acts of God; (B) an agreement between the organization
15 licensee and the associations representing the largest
16 number of owners, trainers, jockeys, or standardbred
17 drivers who race horses at that organization licensee's
18 racing meeting; or (C) a finding by the Board of
19 extraordinary circumstances and that it was in the best
20 interest of the public and the sport to conduct fewer than
21 100 days of live racing. Any such person having operating
22 control of the racing facility, other than the Illinois
23 State Fairgrounds Racetrack Authority, may also receive up
24 to 6 inter-track wagering location licenses. In no event
25 shall more than 6 inter-track wagering locations be
26 established for each eligible race track, except that an

1 eligible race track located in a county that has a
2 population of more than 230,000 and that is bounded by the
3 Mississippi River may establish up to 7 inter-track
4 wagering locations. An application for said license shall
5 be filed with the Board prior to such dates as may be fixed
6 by the Board. With an application for an inter-track
7 wagering location license there shall be delivered to the
8 Board a certified check or bank draft payable to the order
9 of the Board for an amount equal to \$500. The application
10 shall be on forms prescribed and furnished by the Board.
11 The application shall comply with all other rules,
12 regulations and conditions imposed by the Board in
13 connection therewith.

14 (2) The Board shall examine the applications with
15 respect to their conformity with this Act and the rules and
16 regulations imposed by the Board. If found to be in
17 compliance with the Act and rules and regulations of the
18 Board, the Board may then issue a license to conduct
19 inter-track wagering and simulcast wagering to such
20 applicant. All such applications shall be acted upon by the
21 Board at a meeting to be held on such date as may be fixed
22 by the Board.

23 (3) In granting licenses to conduct inter-track
24 wagering and simulcast wagering, the Board shall give due
25 consideration to the best interests of the public, of horse
26 racing, and of maximizing revenue to the State.

1 (4) Prior to the issuance of a license to conduct
2 inter-track wagering and simulcast wagering, the applicant
3 shall file with the Board a bond payable to the State of
4 Illinois in the sum of \$50,000, executed by the applicant
5 and a surety company or companies authorized to do business
6 in this State, and conditioned upon (i) the payment by the
7 licensee of all taxes due under Section 27 or 27.1 and any
8 other monies due and payable under this Act, and (ii)
9 distribution by the licensee, upon presentation of the
10 winning ticket or tickets, of all sums payable to the
11 patrons of pari-mutuel pools.

12 (5) Each license to conduct inter-track wagering and
13 simulcast wagering shall specify the person to whom it is
14 issued, the dates on which such wagering is permitted, and
15 the track or location where the wagering is to be
16 conducted.

17 (6) All wagering under such license is subject to this
18 Act and to the rules and regulations from time to time
19 prescribed by the Board, and every such license issued by
20 the Board shall contain a recital to that effect.

21 (7) An inter-track wagering licensee or inter-track
22 wagering location licensee may accept wagers at the track
23 or location where it is licensed, or as otherwise provided
24 under this Act.

25 (8) Inter-track wagering or simulcast wagering shall
26 not be conducted at any track less than 4 ~~5~~ miles from a

1 track at which a racing meeting is in progress.

2 (8.1) Inter-track wagering location licensees who
3 derive their licenses from a particular organization
4 licensee shall conduct inter-track wagering and simulcast
5 wagering only at locations which are either within 90 miles
6 of that race track where the particular organization
7 licensee is licensed to conduct racing, or within 135 miles
8 of that race track where the particular organization
9 licensee is licensed to conduct racing in the case of race
10 tracks in counties of less than 400,000 that were operating
11 on or before June 1, 1986. However, inter-track wagering
12 and simulcast wagering shall not be conducted by those
13 licensees at any location within 5 miles of any race track
14 at which a horse race meeting has been licensed in the
15 current year, unless the person having operating control of
16 such race track has given its written consent to such
17 inter-track wagering location licensees, which consent
18 must be filed with the Board at or prior to the time
19 application is made.

20 (8.2) Inter-track wagering or simulcast wagering shall
21 not be conducted by an inter-track wagering location
22 licensee at any location within 500 feet of an existing
23 church, an ~~or~~ existing elementary or secondary public
24 school, or an existing elementary or secondary private
25 school registered with or recognized by the State Board of
26 Education ~~school~~, nor within 500 feet of the residences of

1 more than 50 registered voters without receiving written
2 permission from a majority of the registered voters at such
3 residences. Such written permission statements shall be
4 filed with the Board. The distance of 500 feet shall be
5 measured to the nearest part of any building used for
6 worship services, education programs, residential
7 purposes, or conducting inter-track wagering by an
8 inter-track wagering location licensee, and not to
9 property boundaries. However, inter-track wagering or
10 simulcast wagering may be conducted at a site within 500
11 feet of a church, school or residences of 50 or more
12 registered voters if such church, school or residences have
13 been erected or established, or such voters have been
14 registered, after the Board issues the original
15 inter-track wagering location license at the site in
16 question. Inter-track wagering location licensees may
17 conduct inter-track wagering and simulcast wagering only
18 in areas that are zoned for commercial or manufacturing
19 purposes or in areas for which a special use has been
20 approved by the local zoning authority. However, no license
21 to conduct inter-track wagering and simulcast wagering
22 shall be granted by the Board with respect to any
23 inter-track wagering location within the jurisdiction of
24 any local zoning authority which has, by ordinance or by
25 resolution, prohibited the establishment of an inter-track
26 wagering location within its jurisdiction. However,

1 inter-track wagering and simulcast wagering may be
2 conducted at a site if such ordinance or resolution is
3 enacted after the Board licenses the original inter-track
4 wagering location licensee for the site in question.

5 (9) (Blank).

6 (10) An inter-track wagering licensee or an
7 inter-track wagering location licensee may retain, subject
8 to the payment of the privilege taxes and the purses, an
9 amount not to exceed 17% of all money wagered. Each program
10 of racing conducted by each inter-track wagering licensee
11 or inter-track wagering location licensee shall be
12 considered a separate racing day for the purpose of
13 determining the daily handle and computing the privilege
14 tax or pari-mutuel tax on such daily handle as provided in
15 Section 27.

16 (10.1) Except as provided in subsection (g) of Section
17 27 of this Act, inter-track wagering location licensees
18 shall pay 1% of the pari-mutuel handle at each location to
19 the municipality in which such location is situated and 1%
20 of the pari-mutuel handle at each location to the county in
21 which such location is situated. In the event that an
22 inter-track wagering location licensee is situated in an
23 unincorporated area of a county, such licensee shall pay 2%
24 of the pari-mutuel handle from such location to such
25 county.

26 (10.2) Notwithstanding any other provision of this

1 Act, with respect to intertrack wagering at a race track
2 located in a county that has a population of more than
3 230,000 and that is bounded by the Mississippi River ("the
4 first race track"), or at a facility operated by an
5 inter-track wagering licensee or inter-track wagering
6 location licensee that derives its license from the
7 organization licensee that operates the first race track,
8 on races conducted at the first race track or on races
9 conducted at another Illinois race track and
10 simultaneously televised to the first race track or to a
11 facility operated by an inter-track wagering licensee or
12 inter-track wagering location licensee that derives its
13 license from the organization licensee that operates the
14 first race track, those moneys shall be allocated as
15 follows:

16 (A) That portion of all moneys wagered on
17 standardbred racing that is required under this Act to
18 be paid to purses shall be paid to purses for
19 standardbred races.

20 (B) That portion of all moneys wagered on
21 thoroughbred racing that is required under this Act to
22 be paid to purses shall be paid to purses for
23 thoroughbred races.

24 (11) (A) After payment of the privilege or pari-mutuel
25 tax, any other applicable taxes, and the costs and expenses
26 in connection with the gathering, transmission, and

1 dissemination of all data necessary to the conduct of
2 inter-track wagering, the remainder of the monies retained
3 under either Section 26 or Section 26.2 of this Act by the
4 inter-track wagering licensee on inter-track wagering
5 shall be allocated with 50% to be split between the 2
6 participating licensees and 50% to purses, except that an
7 intertrack wagering licensee that derives its license from
8 a track located in a county with a population in excess of
9 230,000 and that borders the Mississippi River shall not
10 divide any remaining retention with the Illinois
11 organization licensee that provides the race or races, and
12 an intertrack wagering licensee that accepts wagers on
13 races conducted by an organization licensee that conducts a
14 race meet in a county with a population in excess of
15 230,000 and that borders the Mississippi River shall not
16 divide any remaining retention with that organization
17 licensee.

18 (B) From the sums permitted to be retained pursuant to
19 this Act each inter-track wagering location licensee shall
20 pay (i) the privilege or pari-mutuel tax to the State; (ii)
21 4.75% of the pari-mutuel handle on intertrack wagering at
22 such location on races as purses, except that an intertrack
23 wagering location licensee that derives its license from a
24 track located in a county with a population in excess of
25 230,000 and that borders the Mississippi River shall retain
26 all purse moneys for its own purse account consistent with

1 distribution set forth in this subsection (h), and
2 intertrack wagering location licensees that accept wagers
3 on races conducted by an organization licensee located in a
4 county with a population in excess of 230,000 and that
5 borders the Mississippi River shall distribute all purse
6 moneys to purses at the operating host track; (iii) until
7 January 1, 2000, except as provided in subsection (g) of
8 Section 27 of this Act, 1% of the pari-mutuel handle
9 wagered on inter-track wagering and simulcast wagering at
10 each inter-track wagering location licensee facility to
11 the Horse Racing Tax Allocation Fund, provided that, to the
12 extent the total amount collected and distributed to the
13 Horse Racing Tax Allocation Fund under this subsection (h)
14 during any calendar year exceeds the amount collected and
15 distributed to the Horse Racing Tax Allocation Fund during
16 calendar year 1994, that excess amount shall be
17 redistributed (I) to all inter-track wagering location
18 licensees, based on each licensee's pro-rata share of the
19 total handle from inter-track wagering and simulcast
20 wagering for all inter-track wagering location licensees
21 during the calendar year in which this provision is
22 applicable; then (II) the amounts redistributed to each
23 inter-track wagering location licensee as described in
24 subpart (I) shall be further redistributed as provided in
25 subparagraph (B) of paragraph (5) of subsection (g) of this
26 Section 26 provided first, that the shares of those

1 amounts, which are to be redistributed to the host track or
2 to purses at the host track under subparagraph (B) of
3 paragraph (5) of subsection (g) of this Section 26 shall be
4 redistributed based on each host track's pro rata share of
5 the total inter-track wagering and simulcast wagering
6 handle at all host tracks during the calendar year in
7 question, and second, that any amounts redistributed as
8 described in part (I) to an inter-track wagering location
9 licensee that accepts wagers on races conducted by an
10 organization licensee that conducts a race meet in a county
11 with a population in excess of 230,000 and that borders the
12 Mississippi River shall be further redistributed as
13 provided in subparagraphs (D) and (E) of paragraph (7) of
14 subsection (g) of this Section 26, with the portion of that
15 further redistribution allocated to purses at that
16 organization licensee to be divided between standardbred
17 purses and thoroughbred purses based on the amounts
18 otherwise allocated to purses at that organization
19 licensee during the calendar year in question; and (iv) 8%
20 of the pari-mutuel handle on inter-track wagering wagered
21 at such location to satisfy all costs and expenses of
22 conducting its wagering. The remainder of the monies
23 retained by the inter-track wagering location licensee
24 shall be allocated 40% to the location licensee and 60% to
25 the organization licensee which provides the Illinois
26 races to the location, except that an intertrack wagering

1 location licensee that derives its license from a track
2 located in a county with a population in excess of 230,000
3 and that borders the Mississippi River shall not divide any
4 remaining retention with the organization licensee that
5 provides the race or races and an intertrack wagering
6 location licensee that accepts wagers on races conducted by
7 an organization licensee that conducts a race meet in a
8 county with a population in excess of 230,000 and that
9 borders the Mississippi River shall not divide any
10 remaining retention with the organization licensee.
11 Notwithstanding the provisions of clauses (ii) and (iv) of
12 this paragraph, in the case of the additional inter-track
13 wagering location licenses authorized under paragraph (1)
14 of this subsection (h) by this amendatory Act of 1991,
15 those licensees shall pay the following amounts as purses:
16 during the first 12 months the licensee is in operation,
17 5.25% of the pari-mutuel handle wagered at the location on
18 races; during the second 12 months, 5.25%; during the third
19 12 months, 5.75%; during the fourth 12 months, 6.25%; and
20 during the fifth 12 months and thereafter, 6.75%. The
21 following amounts shall be retained by the licensee to
22 satisfy all costs and expenses of conducting its wagering:
23 during the first 12 months the licensee is in operation,
24 8.25% of the pari-mutuel handle wagered at the location;
25 during the second 12 months, 8.25%; during the third 12
26 months, 7.75%; during the fourth 12 months, 7.25%; and

1 during the fifth 12 months and thereafter, 6.75%. For
2 additional intertrack wagering location licensees
3 authorized under this amendatory Act of 1995, purses for
4 the first 12 months the licensee is in operation shall be
5 5.75% of the pari-mutuel wagered at the location, purses
6 for the second 12 months the licensee is in operation shall
7 be 6.25%, and purses thereafter shall be 6.75%. For
8 additional intertrack location licensees authorized under
9 this amendatory Act of 1995, the licensee shall be allowed
10 to retain to satisfy all costs and expenses: 7.75% of the
11 pari-mutuel handle wagered at the location during its first
12 12 months of operation, 7.25% during its second 12 months
13 of operation, and 6.75% thereafter.

14 (C) There is hereby created the Horse Racing Tax
15 Allocation Fund which shall remain in existence until
16 December 31, 1999. Moneys remaining in the Fund after
17 December 31, 1999 shall be paid into the General Revenue
18 Fund. Until January 1, 2000, all monies paid into the Horse
19 Racing Tax Allocation Fund pursuant to this paragraph (11)
20 by inter-track wagering location licensees located in park
21 districts of 500,000 population or less, or in a
22 municipality that is not included within any park district
23 but is included within a conservation district and is the
24 county seat of a county that (i) is contiguous to the state
25 of Indiana and (ii) has a 1990 population of 88,257
26 according to the United States Bureau of the Census, and

1 operating on May 1, 1994 shall be allocated by
2 appropriation as follows:

3 Two-sevenths to the Department of Agriculture.
4 Fifty percent of this two-sevenths shall be used to
5 promote the Illinois horse racing and breeding
6 industry, and shall be distributed by the Department of
7 Agriculture upon the advice of a 9-member committee
8 appointed by the Governor consisting of the following
9 members: the Director of Agriculture, who shall serve
10 as chairman; 2 representatives of organization
11 licensees conducting thoroughbred race meetings in
12 this State, recommended by those licensees; 2
13 representatives of organization licensees conducting
14 standardbred race meetings in this State, recommended
15 by those licensees; a representative of the Illinois
16 Thoroughbred Breeders and Owners Foundation,
17 recommended by that Foundation; a representative of
18 the Illinois Standardbred Owners and Breeders
19 Association, recommended by that Association; a
20 representative of the Horsemen's Benevolent and
21 Protective Association or any successor organization
22 thereto established in Illinois comprised of the
23 largest number of owners and trainers, recommended by
24 that Association or that successor organization; and a
25 representative of the Illinois Harness Horsemen's
26 Association, recommended by that Association.

1 Committee members shall serve for terms of 2 years,
2 commencing January 1 of each even-numbered year. If a
3 representative of any of the above-named entities has
4 not been recommended by January 1 of any even-numbered
5 year, the Governor shall appoint a committee member to
6 fill that position. Committee members shall receive no
7 compensation for their services as members but shall be
8 reimbursed for all actual and necessary expenses and
9 disbursements incurred in the performance of their
10 official duties. The remaining 50% of this
11 two-sevenths shall be distributed to county fairs for
12 premiums and rehabilitation as set forth in the
13 Agricultural Fair Act;

14 Four-sevenths to park districts or municipalities
15 that do not have a park district of 500,000 population
16 or less for museum purposes (if an inter-track wagering
17 location licensee is located in such a park district)
18 or to conservation districts for museum purposes (if an
19 inter-track wagering location licensee is located in a
20 municipality that is not included within any park
21 district but is included within a conservation
22 district and is the county seat of a county that (i) is
23 contiguous to the state of Indiana and (ii) has a 1990
24 population of 88,257 according to the United States
25 Bureau of the Census, except that if the conservation
26 district does not maintain a museum, the monies shall

1 be allocated equally between the county and the
2 municipality in which the inter-track wagering
3 location licensee is located for general purposes) or
4 to a municipal recreation board for park purposes (if
5 an inter-track wagering location licensee is located
6 in a municipality that is not included within any park
7 district and park maintenance is the function of the
8 municipal recreation board and the municipality has a
9 1990 population of 9,302 according to the United States
10 Bureau of the Census); provided that the monies are
11 distributed to each park district or conservation
12 district or municipality that does not have a park
13 district in an amount equal to four-sevenths of the
14 amount collected by each inter-track wagering location
15 licensee within the park district or conservation
16 district or municipality for the Fund. Monies that were
17 paid into the Horse Racing Tax Allocation Fund before
18 the effective date of this amendatory Act of 1991 by an
19 inter-track wagering location licensee located in a
20 municipality that is not included within any park
21 district but is included within a conservation
22 district as provided in this paragraph shall, as soon
23 as practicable after the effective date of this
24 amendatory Act of 1991, be allocated and paid to that
25 conservation district as provided in this paragraph.
26 Any park district or municipality not maintaining a

1 museum may deposit the monies in the corporate fund of
2 the park district or municipality where the
3 inter-track wagering location is located, to be used
4 for general purposes; and

5 One-seventh to the Agricultural Premium Fund to be
6 used for distribution to agricultural home economics
7 extension councils in accordance with "An Act in
8 relation to additional support and finances for the
9 Agricultural and Home Economic Extension Councils in
10 the several counties of this State and making an
11 appropriation therefor", approved July 24, 1967.

12 Until January 1, 2000, all other monies paid into the
13 Horse Racing Tax Allocation Fund pursuant to this paragraph
14 (11) shall be allocated by appropriation as follows:

15 Two-sevenths to the Department of Agriculture.
16 Fifty percent of this two-sevenths shall be used to
17 promote the Illinois horse racing and breeding
18 industry, and shall be distributed by the Department of
19 Agriculture upon the advice of a 9-member committee
20 appointed by the Governor consisting of the following
21 members: the Director of Agriculture, who shall serve
22 as chairman; 2 representatives of organization
23 licensees conducting thoroughbred race meetings in
24 this State, recommended by those licensees; 2
25 representatives of organization licensees conducting
26 standardbred race meetings in this State, recommended

1 by those licensees; a representative of the Illinois
2 Thoroughbred Breeders and Owners Foundation,
3 recommended by that Foundation; a representative of
4 the Illinois Standardbred Owners and Breeders
5 Association, recommended by that Association; a
6 representative of the Horsemen's Benevolent and
7 Protective Association or any successor organization
8 thereto established in Illinois comprised of the
9 largest number of owners and trainers, recommended by
10 that Association or that successor organization; and a
11 representative of the Illinois Harness Horsemen's
12 Association, recommended by that Association.
13 Committee members shall serve for terms of 2 years,
14 commencing January 1 of each even-numbered year. If a
15 representative of any of the above-named entities has
16 not been recommended by January 1 of any even-numbered
17 year, the Governor shall appoint a committee member to
18 fill that position. Committee members shall receive no
19 compensation for their services as members but shall be
20 reimbursed for all actual and necessary expenses and
21 disbursements incurred in the performance of their
22 official duties. The remaining 50% of this
23 two-sevenths shall be distributed to county fairs for
24 premiums and rehabilitation as set forth in the
25 Agricultural Fair Act;

26 Four-sevenths to museums and aquariums located in

1 park districts of over 500,000 population; provided
2 that the monies are distributed in accordance with the
3 previous year's distribution of the maintenance tax
4 for such museums and aquariums as provided in Section 2
5 of the Park District Aquarium and Museum Act; and

6 One-seventh to the Agricultural Premium Fund to be
7 used for distribution to agricultural home economics
8 extension councils in accordance with "An Act in
9 relation to additional support and finances for the
10 Agricultural and Home Economic Extension Councils in
11 the several counties of this State and making an
12 appropriation therefor", approved July 24, 1967. This
13 subparagraph (C) shall be inoperative and of no force
14 and effect on and after January 1, 2000.

15 (D) Except as provided in paragraph (11) of this
16 subsection (h), with respect to purse allocation from
17 intertrack wagering, the monies so retained shall be
18 divided as follows:

19 (i) If the inter-track wagering licensee,
20 except an intertrack wagering licensee that
21 derives its license from an organization licensee
22 located in a county with a population in excess of
23 230,000 and bounded by the Mississippi River, is
24 not conducting its own race meeting during the same
25 dates, then the entire purse allocation shall be to
26 purses at the track where the races wagered on are

1 being conducted.

2 (ii) If the inter-track wagering licensee,
3 except an intertrack wagering licensee that
4 derives its license from an organization licensee
5 located in a county with a population in excess of
6 230,000 and bounded by the Mississippi River, is
7 also conducting its own race meeting during the
8 same dates, then the purse allocation shall be as
9 follows: 50% to purses at the track where the races
10 wagered on are being conducted; 50% to purses at
11 the track where the inter-track wagering licensee
12 is accepting such wagers.

13 (iii) If the inter-track wagering is being
14 conducted by an inter-track wagering location
15 licensee, except an intertrack wagering location
16 licensee that derives its license from an
17 organization licensee located in a county with a
18 population in excess of 230,000 and bounded by the
19 Mississippi River, the entire purse allocation for
20 Illinois races shall be to purses at the track
21 where the race meeting being wagered on is being
22 held.

23 (12) The Board shall have all powers necessary and
24 proper to fully supervise and control the conduct of
25 inter-track wagering and simulcast wagering by inter-track
26 wagering licensees and inter-track wagering location

1 licensees, including, but not limited to the following:

2 (A) The Board is vested with power to promulgate
3 reasonable rules and regulations for the purpose of
4 administering the conduct of this wagering and to
5 prescribe reasonable rules, regulations and conditions
6 under which such wagering shall be held and conducted.
7 Such rules and regulations are to provide for the
8 prevention of practices detrimental to the public
9 interest and for the best interests of said wagering
10 and to impose penalties for violations thereof.

11 (B) The Board, and any person or persons to whom it
12 delegates this power, is vested with the power to enter
13 the facilities of any licensee to determine whether
14 there has been compliance with the provisions of this
15 Act and the rules and regulations relating to the
16 conduct of such wagering.

17 (C) The Board, and any person or persons to whom it
18 delegates this power, may eject or exclude from any
19 licensee's facilities, any person whose conduct or
20 reputation is such that his presence on such premises
21 may, in the opinion of the Board, call into the
22 question the honesty and integrity of, or interfere
23 with the orderly conduct of such wagering; provided,
24 however, that no person shall be excluded or ejected
25 from such premises solely on the grounds of race,
26 color, creed, national origin, ancestry, or sex.

1 (D) (Blank).

2 (E) The Board is vested with the power to appoint
3 delegates to execute any of the powers granted to it
4 under this Section for the purpose of administering
5 this wagering and any rules and regulations
6 promulgated in accordance with this Act.

7 (F) The Board shall name and appoint a State
8 director of this wagering who shall be a representative
9 of the Board and whose duty it shall be to supervise
10 the conduct of inter-track wagering as may be provided
11 for by the rules and regulations of the Board; such
12 rules and regulation shall specify the method of
13 appointment and the Director's powers, authority and
14 duties.

15 (G) The Board is vested with the power to impose
16 civil penalties of up to \$5,000 against individuals and
17 up to \$10,000 against licensees for each violation of
18 any provision of this Act relating to the conduct of
19 this wagering, any rules adopted by the Board, any
20 order of the Board or any other action which in the
21 Board's discretion, is a detriment or impediment to
22 such wagering.

23 (13) The Department of Agriculture may enter into
24 agreements with licensees authorizing such licensees to
25 conduct inter-track wagering on races to be held at the
26 licensed race meetings conducted by the Department of

1 Agriculture. Such agreement shall specify the races of the
2 Department of Agriculture's licensed race meeting upon
3 which the licensees will conduct wagering. In the event
4 that a licensee conducts inter-track pari-mutuel wagering
5 on races from the Illinois State Fair or DuQuoin State Fair
6 which are in addition to the licensee's previously approved
7 racing program, those races shall be considered a separate
8 racing day for the purpose of determining the daily handle
9 and computing the privilege or pari-mutuel tax on that
10 daily handle as provided in Sections 27 and 27.1. Such
11 agreements shall be approved by the Board before such
12 wagering may be conducted. In determining whether to grant
13 approval, the Board shall give due consideration to the
14 best interests of the public and of horse racing. The
15 provisions of paragraphs (1), (8), (8.1), and (8.2) of
16 subsection (h) of this Section which are not specified in
17 this paragraph (13) shall not apply to licensed race
18 meetings conducted by the Department of Agriculture at the
19 Illinois State Fair in Sangamon County or the DuQuoin State
20 Fair in Perry County, or to any wagering conducted on those
21 race meetings.

22 (i) Notwithstanding the other provisions of this Act, the
23 conduct of wagering at wagering facilities is authorized on all
24 days, except as limited by subsection (b) of Section 19 of this
25 Act.

26 (Source: P.A. 96-762, eff. 8-25-09.)

1 (230 ILCS 5/27) (from Ch. 8, par. 37-27)

2 Sec. 27. (a) In addition to the organization license fee
3 provided by this Act, until January 1, 2000, a graduated
4 privilege tax is hereby imposed for conducting the pari-mutuel
5 system of wagering permitted under this Act. Until January 1,
6 2000, except as provided in subsection (g) of Section 27 of
7 this Act, all of the breakage of each racing day held by any
8 licensee in the State shall be paid to the State. Until January
9 1, 2000, such daily graduated privilege tax shall be paid by
10 the licensee from the amount permitted to be retained under
11 this Act. Until January 1, 2000, each day's graduated privilege
12 tax, breakage, and Horse Racing Tax Allocation funds shall be
13 remitted to the Department of Revenue within 48 hours after the
14 close of the racing day upon which it is assessed or within
15 such other time as the Board prescribes. The privilege tax
16 hereby imposed, until January 1, 2000, shall be a flat tax at
17 the rate of 2% of the daily pari-mutuel handle except as
18 provided in Section 27.1.

19 In addition, every organization licensee, except as
20 provided in Section 27.1 of this Act, which conducts multiple
21 wagering shall pay, until January 1, 2000, as a privilege tax
22 on multiple wagers an amount equal to 1.25% of all moneys
23 wagered each day on such multiple wagers, plus an additional
24 amount equal to 3.5% of the amount wagered each day on any
25 other multiple wager which involves a single betting interest

1 on 3 or more horses. The licensee shall remit the amount of
2 such taxes to the Department of Revenue within 48 hours after
3 the close of the racing day on which it is assessed or within
4 such other time as the Board prescribes.

5 This subsection (a) shall be inoperative and of no force
6 and effect on and after January 1, 2000.

7 (a-5) Beginning on January 1, 2000, a flat pari-mutuel tax
8 at the rate of 1.5% of the daily pari-mutuel handle is imposed
9 at all pari-mutuel wagering facilities and on advance deposit
10 wagering from a location other than a wagering facility, except
11 as otherwise provided for in this subsection (a-5). In addition
12 to the pari-mutuel tax imposed on advance deposit wagering
13 pursuant to this subsection (a-5), an additional pari-mutuel
14 tax at the rate of 0.25% shall be imposed on advance deposit
15 wagering, the amount of which shall not exceed \$250,000 in each
16 calendar year. The additional 0.25% pari-mutuel tax imposed on
17 advance deposit wagering by this amendatory Act of the 96th
18 General Assembly shall be deposited into the Quarter Horse
19 Purse Fund, which shall be created as a non-appropriated trust
20 fund administered by the Board for grants to thoroughbred
21 organization licensees for payment of purses for quarter horse
22 races conducted by the organization licensee. Thoroughbred
23 organization licensees may petition the Board to conduct
24 quarter horse racing and receive purse grants from the Quarter
25 Horse Purse Fund. The Board shall have complete discretion in
26 distributing the Quarter Horse Purse Fund to the petitioning

1 organization licensees. Beginning on the effective date of this
2 amendatory Act of the 96th General Assembly and until moneys
3 deposited pursuant to Section 54 are distributed and received,
4 a pari-mutuel tax at the rate of 0.75% of the daily pari-mutuel
5 handle is imposed at a pari-mutuel facility whose license is
6 derived from a track located in a county that borders the
7 Mississippi River and conducted live racing in the previous
8 year. After moneys deposited pursuant to Section 54 are
9 distributed and received, a pari-mutuel tax at the rate of 1.5%
10 of the daily pari-mutuel handle is imposed at a pari-mutuel
11 facility whose license is derived from a track located in a
12 county that borders the Mississippi River and conducted live
13 racing in the previous year. The pari-mutuel tax imposed by
14 this subsection (a-5) shall be remitted to the Department of
15 Revenue within 48 hours after the close of the racing day upon
16 which it is assessed or within such other time as the Board
17 prescribes.

18 (a-10) Beginning on the date when an organization licensee
19 begins conducting electronic gaming pursuant to an electronic
20 gaming license, the following pari-mutuel tax is imposed upon
21 an organization licensee on Illinois races at the licensee's
22 race track:

23 1.5% of the pari-mutuel handle at or below the average
24 daily pari-mutuel handle for 2011.

25 2% of the pari-mutuel handle above the average daily
26 pari-mutuel handle for 2011 up to 125% of the average daily

1 pari-mutuel handle for 2011.

2 2.5% of the pari-mutuel handle 125% or more above the
3 average daily pari-mutuel handle for 2011 up to 150% of the
4 average daily pari-mutuel handle for 2011.

5 3% of the pari-mutuel handle 150% or more above the
6 average daily pari-mutuel handle for 2011 up to 175% of the
7 average daily pari-mutuel handle for 2011.

8 3.5% of the pari-mutuel handle 175% or more above the
9 average daily pari-mutuel handle for 2011.

10 The pari-mutuel tax imposed by this subsection (a-10) shall
11 be remitted to the Board within 48 hours after the close of the
12 racing day upon which it is assessed or within such other time
13 as the Board prescribes.

14 (b) On or before December 31, 1999, in the event that any
15 organization licensee conducts 2 separate programs of races on
16 any day, each such program shall be considered a separate
17 racing day for purposes of determining the daily handle and
18 computing the privilege tax on such daily handle as provided in
19 subsection (a) of this Section.

20 (c) Licensees shall at all times keep accurate books and
21 records of all monies wagered on each day of a race meeting and
22 of the taxes paid to the Department of Revenue under the
23 provisions of this Section. The Board or its duly authorized
24 representative or representatives shall at all reasonable
25 times have access to such records for the purpose of examining
26 and checking the same and ascertaining whether the proper

1 amount of taxes is being paid as provided. The Board shall
2 require verified reports and a statement of the total of all
3 monies wagered daily at each wagering facility upon which the
4 taxes are assessed and may prescribe forms upon which such
5 reports and statement shall be made.

6 (d) Any licensee failing or refusing to pay the amount of
7 any tax due under this Section shall be guilty of a business
8 offense and upon conviction shall be fined not more than \$5,000
9 in addition to the amount found due as tax under this Section.
10 Each day's violation shall constitute a separate offense. All
11 fines paid into Court by a licensee hereunder shall be
12 transmitted and paid over by the Clerk of the Court to the
13 Board.

14 (e) No other license fee, privilege tax, excise tax, or
15 racing fee, except as provided in this Act, shall be assessed
16 or collected from any such licensee by the State.

17 (f) No other license fee, privilege tax, excise tax or
18 racing fee shall be assessed or collected from any such
19 licensee by units of local government except as provided in
20 paragraph 10.1 of subsection (h) and subsection (f) of Section
21 26 of this Act. However, any municipality that has a Board
22 licensed horse race meeting at a race track wholly within its
23 corporate boundaries or a township that has a Board licensed
24 horse race meeting at a race track wholly within the
25 unincorporated area of the township may charge a local
26 amusement tax not to exceed 10¢ per admission to such horse

1 race meeting by the enactment of an ordinance. However, any
2 municipality or county that has a Board licensed inter-track
3 wagering location facility wholly within its corporate
4 boundaries may each impose an admission fee not to exceed \$1.00
5 per admission to such inter-track wagering location facility,
6 so that a total of not more than \$2.00 per admission may be
7 imposed. Except as provided in subparagraph (g) of Section 27
8 of this Act, the inter-track wagering location licensee shall
9 collect any and all such fees and within 48 hours remit the
10 fees to the Board, which shall, pursuant to rule, cause the
11 fees to be distributed to the county or municipality.

12 (g) Notwithstanding any provision in this Act to the
13 contrary, if in any calendar year the total taxes and fees from
14 wagering on live racing and from inter-track wagering required
15 to be collected from licensees and distributed under this Act
16 to all State and local governmental authorities exceeds the
17 amount of such taxes and fees distributed to each State and
18 local governmental authority to which each State and local
19 governmental authority was entitled under this Act for calendar
20 year 1994, then the first \$11 million of that excess amount
21 shall be allocated at the earliest possible date for
22 distribution as purse money for the succeeding calendar year.
23 Upon reaching the 1994 level, and until the excess amount of
24 taxes and fees exceeds \$11 million, the Board shall direct all
25 licensees to cease paying the subject taxes and fees and the
26 Board shall direct all licensees to allocate any such excess

1 amount for purses as follows:

2 (i) the excess amount shall be initially divided
3 between thoroughbred and standardbred purses based on the
4 thoroughbred's and standardbred's respective percentages
5 of total Illinois live wagering in calendar year 1994;

6 (ii) each thoroughbred and standardbred organization
7 licensee issued an organization licensee in that
8 succeeding allocation year shall be allocated an amount
9 equal to the product of its percentage of total Illinois
10 live thoroughbred or standardbred wagering in calendar
11 year 1994 (the total to be determined based on the sum of
12 1994 on-track wagering for all organization licensees
13 issued organization licenses in both the allocation year
14 and the preceding year) multiplied by the total amount
15 allocated for standardbred or thoroughbred purses,
16 provided that the first \$1,500,000 of the amount allocated
17 to standardbred purses under item (i) shall be allocated to
18 the Department of Agriculture to be expended with the
19 assistance and advice of the Illinois Standardbred
20 Breeders Funds Advisory Board for the purposes listed in
21 subsection (g) of Section 31 of this Act, before the amount
22 allocated to standardbred purses under item (i) is
23 allocated to standardbred organization licensees in the
24 succeeding allocation year.

25 To the extent the excess amount of taxes and fees to be
26 collected and distributed to State and local governmental

1 authorities exceeds \$11 million, that excess amount shall be
2 collected and distributed to State and local authorities as
3 provided for under this Act.

4 (Source: P.A. 96-762, eff. 8-25-09; 96-1287, eff. 7-26-10.)

5 (230 ILCS 5/28) (from Ch. 8, par. 37-28)

6 Sec. 28. Except as provided in subsection (g) of Section 27
7 of this Act, moneys collected shall be distributed according to
8 the provisions of this Section 28.

9 (a) Thirty per cent of the total of all monies received by
10 the State as privilege taxes shall be paid into the
11 Metropolitan Exposition Auditorium and Office Building Fund in
12 the State Treasury.

13 (b) In addition, 4.5% of the total of all monies received
14 by the State as privilege taxes shall be paid into the State
15 treasury into a special Fund to be known as the Metropolitan
16 Exposition, Auditorium, and Office Building Fund.

17 (c) Fifty per cent of the total of all monies received by
18 the State as privilege taxes under the provisions of this Act
19 shall be paid into the Agricultural Premium Fund.

20 (d) Seven per cent of the total of all monies received by
21 the State as privilege taxes shall be paid into the Fair and
22 Exposition Fund in the State treasury; provided, however, that
23 when all bonds issued prior to July 1, 1984 by the Metropolitan
24 Fair and Exposition Authority shall have been paid or payment
25 shall have been provided for upon a refunding of those bonds,

1 thereafter 1/12 of \$1,665,662 of such monies shall be paid each
2 month into the Build Illinois Fund, and the remainder into the
3 Fair and Exposition Fund. All excess monies shall be allocated
4 to the Department of Agriculture for distribution to county
5 fairs for premiums and rehabilitation as set forth in the
6 Agricultural Fair Act.

7 (e) The monies provided for in Section 30 shall be paid
8 into the Illinois Thoroughbred Breeders Fund.

9 (f) The monies provided for in Section 31 shall be paid
10 into the Illinois Standardbred Breeders Fund.

11 (g) Until January 1, 2000, that part representing 1/2 of
12 the total breakage in Thoroughbred, Harness, Appaloosa,
13 Arabian, and Quarter Horse racing in the State shall be paid
14 into the Illinois Race Track Improvement Fund as established in
15 Section 32.

16 (h) All other monies received by the Board under this Act
17 shall be paid into the Horse Racing Fund ~~General Revenue Fund~~
18 ~~of the State.~~

19 (i) The salaries of the Board members, secretary, stewards,
20 directors of mutuels, veterinarians, representatives,
21 accountants, clerks, stenographers, inspectors and other
22 employees of the Board, and all expenses of the Board incident
23 to the administration of this Act, including, but not limited
24 to, all expenses and salaries incident to the taking of saliva
25 and urine samples in accordance with the rules and regulations
26 of the Board shall be paid out of the Agricultural Premium

1 Fund.

2 (j) The Agricultural Premium Fund shall also be used:

3 (1) for the expenses of operating the Illinois State
4 Fair and the DuQuoin State Fair, including the payment of
5 prize money or premiums;

6 (2) for the distribution to county fairs, vocational
7 agriculture section fairs, agricultural societies, and
8 agricultural extension clubs in accordance with the
9 Agricultural Fair Act, as amended;

10 (3) for payment of prize monies and premiums awarded
11 and for expenses incurred in connection with the
12 International Livestock Exposition and the Mid-Continent
13 Livestock Exposition held in Illinois, which premiums, and
14 awards must be approved, and paid by the Illinois
15 Department of Agriculture;

16 (4) for personal service of county agricultural
17 advisors and county home advisors;

18 (5) for distribution to agricultural home economic
19 extension councils in accordance with "An Act in relation
20 to additional support and finance for the Agricultural and
21 Home Economic Extension Councils in the several counties in
22 this State and making an appropriation therefor", approved
23 July 24, 1967, as amended;

24 (6) for research on equine disease, including a
25 development center therefor;

26 (7) for training scholarships for study on equine

1 diseases to students at the University of Illinois College
2 of Veterinary Medicine;

3 (8) for the rehabilitation, repair and maintenance of
4 the Illinois and DuQuoin State Fair Grounds and the
5 structures and facilities thereon and the construction of
6 permanent improvements on such Fair Grounds, including
7 such structures, facilities and property located on such
8 State Fair Grounds which are under the custody and control
9 of the Department of Agriculture;

10 (9) for the expenses of the Department of Agriculture
11 under Section 5-530 of the Departments of State Government
12 Law (20 ILCS 5/5-530);

13 (10) for the expenses of the Department of Commerce and
14 Economic Opportunity under Sections 605-620, 605-625, and
15 605-630 of the Department of Commerce and Economic
16 Opportunity Law (20 ILCS 605/605-620, 605/605-625, and
17 605/605-630);

18 (11) for remodeling, expanding, and reconstructing
19 facilities destroyed by fire of any Fair and Exposition
20 Authority in counties with a population of 1,000,000 or
21 more inhabitants;

22 (12) for the purpose of assisting in the care and
23 general rehabilitation of disabled veterans of any war and
24 their surviving spouses and orphans;

25 (13) for expenses of the Department of State Police for
26 duties performed under this Act;

1 (14) for the Department of Agriculture for soil surveys
2 and soil and water conservation purposes;

3 (15) for the Department of Agriculture for grants to
4 the City of Chicago for conducting the Chicagofest;

5 (16) for the State Comptroller for grants and operating
6 expenses authorized by the Illinois Global Partnership
7 Act.

8 (k) To the extent that monies paid by the Board to the
9 Agricultural Premium Fund are in the opinion of the Governor in
10 excess of the amount necessary for the purposes herein stated,
11 the Governor shall notify the Comptroller and the State
12 Treasurer of such fact, who, upon receipt of such notification,
13 shall transfer such excess monies from the Agricultural Premium
14 Fund to the General Revenue Fund.

15 (Source: P.A. 94-91, Sections 55-135 and 90-10, eff. 7-1-05.)

16 (230 ILCS 5/28.1)

17 Sec. 28.1. Payments.

18 (a) Beginning on January 1, 2000, moneys collected by the
19 Department of Revenue and the Racing Board pursuant to Section
20 26 or Section 27 of this Act shall be deposited into the Horse
21 Racing Fund, which is hereby created as a special fund in the
22 State Treasury.

23 (b) Appropriations, as approved by the General Assembly,
24 may be made from the Horse Racing Fund to the Board to pay the
25 salaries of the Board members, secretary, stewards, directors

1 of mutuels, veterinarians, representatives, accountants,
2 clerks, stenographers, inspectors and other employees of the
3 Board, and all expenses of the Board incident to the
4 administration of this Act, including, but not limited to, all
5 expenses and salaries incident to the taking of saliva and
6 urine samples in accordance with the rules and regulations of
7 the Board.

8 (c) Beginning on January 1, 2000, the Board shall transfer
9 the remainder of the funds generated pursuant to Sections 26
10 and 27 from the Horse Racing Fund into the General Revenue
11 Fund.

12 In the event that in any fiscal year, the amount of total
13 funds in the Horse Racing Fund is insufficient to meet the
14 annual operating expenses of the Board, as appropriated by the
15 General Assembly for that fiscal year, the Board shall invoice
16 the organization licensees for the amount of the deficit. The
17 amount of the invoice shall be allocated in a proportionate
18 amount of pari-mutuel wagering handled by the organization
19 licensee in the year preceding assessment and divided by the
20 total pari-mutuel wagering handled by all Illinois
21 organization licensees. The payments shall be made 50% from the
22 organization licensee's account and 50% from the organization
23 licensee's purse account.

24 (d) Beginning January 1, 2000, payments to all programs in
25 existence on the effective date of this amendatory Act of 1999
26 that are identified in Sections 26(c), 26(f), 26(h)(11)(C), and

1 28, subsections (a), (b), (c), (d), (e), (f), (g), and (h) of
2 Section 30, and subsections (a), (b), (c), (d), (e), (f), (g),
3 and (h) of Section 31 shall be made from the General Revenue
4 Fund at the funding levels determined by amounts paid under
5 this Act in calendar year 1998. Beginning on the effective date
6 of this amendatory Act of the 93rd General Assembly, payments
7 to the Peoria Park District shall be made from the General
8 Revenue Fund at the funding level determined by amounts paid to
9 that park district for museum purposes under this Act in
10 calendar year 1994.

11 If an inter-track wagering location licensee's facility
12 changes its location, then the payments associated with that
13 facility under this subsection (d) for museum purposes shall be
14 paid to the park district in the area where the facility
15 relocates, and the payments shall be used for museum purposes.
16 If the facility does not relocate to a park district, then the
17 payments shall be paid to the taxing district that is
18 responsible for park or museum expenditures.

19 (e) Beginning July 1, 2006, the payment authorized under
20 subsection (d) to museums and aquariums located in park
21 districts of over 500,000 population shall be paid to museums,
22 aquariums, and zoos in amounts determined by Museums in the
23 Park, an association of museums, aquariums, and zoos located on
24 Chicago Park District property.

25 (f) Beginning July 1, 2007, the Children's Discovery Museum
26 in Normal, Illinois shall receive payments from the General

1 Revenue Fund at the funding level determined by the amounts
2 paid to the Miller Park Zoo in Bloomington, Illinois under this
3 Section in calendar year 2006.

4 (Source: P.A. 95-222, eff. 8-16-07; 96-562, eff. 8-18-09.)

5 (230 ILCS 5/30) (from Ch. 8, par. 37-30)

6 Sec. 30. (a) The General Assembly declares that it is the
7 policy of this State to encourage the breeding of thoroughbred
8 horses in this State and the ownership of such horses by
9 residents of this State in order to provide for: sufficient
10 numbers of high quality thoroughbred horses to participate in
11 thoroughbred racing meetings in this State, and to establish
12 and preserve the agricultural and commercial benefits of such
13 breeding and racing industries to the State of Illinois. It is
14 the intent of the General Assembly to further this policy by
15 the provisions of this Act.

16 (b) Each organization licensee conducting a thoroughbred
17 racing meeting pursuant to this Act shall provide at least two
18 races each day limited to Illinois conceived and foaled horses
19 or Illinois foaled horses or both. A minimum of 6 races shall
20 be conducted each week limited to Illinois conceived and foaled
21 or Illinois foaled horses or both. No horses shall be permitted
22 to start in such races unless duly registered under the rules
23 of the Department of Agriculture.

24 (c) Conditions of races under subsection (b) shall be
25 commensurate with past performance, quality, and class of

1 Illinois conceived and foaled and Illinois foaled horses
2 available. If, however, sufficient competition cannot be had
3 among horses of that class on any day, the races may, with
4 consent of the Board, be eliminated for that day and substitute
5 races provided.

6 (d) There is hereby created a special fund of the State
7 Treasury to be known as the Illinois Thoroughbred Breeders
8 Fund.

9 Beginning on the effective date of this amendatory Act of
10 the 97th General Assembly, the Illinois Thoroughbred Breeders
11 Fund shall become a non-appropriated trust fund held separately
12 from State moneys. Expenditures from this Fund shall no longer
13 be subject to appropriation.

14 Except as provided in subsection (g) of Section 27 of this
15 Act, 8.5% of all the monies received by the State as privilege
16 taxes on Thoroughbred racing meetings shall be paid into the
17 Illinois Thoroughbred Breeders Fund.

18 Notwithstanding any provision of law to the contrary,
19 amounts deposited into the Illinois Thoroughbred Breeders Fund
20 from revenues generated by electronic gaming after the
21 effective date of this amendatory Act of the 97th General
22 Assembly shall be in addition to tax and fee amounts paid under
23 this Section for calendar year 2011 and thereafter.

24 (e) The Illinois Thoroughbred Breeders Fund shall be
25 administered by the Department of Agriculture with the advice
26 and assistance of the Advisory Board created in subsection (f)

1 of this Section.

2 (f) The Illinois Thoroughbred Breeders Fund Advisory Board
3 shall consist of the Director of the Department of Agriculture,
4 who shall serve as Chairman; a member of the Illinois Racing
5 Board, designated by it; 2 representatives of the organization
6 licensees conducting thoroughbred racing meetings, recommended
7 by them; 2 representatives of the Illinois Thoroughbred
8 Breeders and Owners Foundation, recommended by it; one
9 representative ~~and 2 representatives~~ of the Horsemen's
10 Benevolent Protective Association; and one representative from
11 the Illinois Thoroughbred Horsemen's Association ~~or any~~
12 ~~successor organization established in Illinois comprised of~~
13 ~~the largest number of owners and trainers, recommended by it,~~
14 ~~with one representative of the Horsemen's Benevolent and~~
15 ~~Protective Association to come from its Illinois Division, and~~
16 ~~one from its Chicago Division.~~ Advisory Board members shall
17 serve for 2 years commencing January 1 of each odd numbered
18 year. If representatives of the organization licensees
19 conducting thoroughbred racing meetings, the Illinois
20 Thoroughbred Breeders and Owners Foundation, ~~and~~ the
21 Horsemen's Benevolent Protection Association, and the Illinois
22 Thoroughbred Horsemen's Association have not been recommended
23 by January 1, of each odd numbered year, the Director of the
24 Department of Agriculture shall make an appointment for the
25 organization failing to so recommend a member of the Advisory
26 Board. Advisory Board members shall receive no compensation for

1 their services as members but shall be reimbursed for all
2 actual and necessary expenses and disbursements incurred in the
3 execution of their official duties.

4 (g) ~~No monies shall be expended from the Illinois~~
5 ~~Thoroughbred Breeders Fund except as appropriated by the~~
6 ~~General Assembly.~~ Monies expended ~~appropriated~~ from the
7 Illinois Thoroughbred Breeders Fund shall be expended by the
8 Department of Agriculture, with the advice and assistance of
9 the Illinois Thoroughbred Breeders Fund Advisory Board, for the
10 following purposes only:

11 (1) To provide purse supplements to owners of horses
12 participating in races limited to Illinois conceived and
13 foaled and Illinois foaled horses. Any such purse
14 supplements shall not be included in and shall be paid in
15 addition to any purses, stakes, or breeders' awards offered
16 by each organization licensee as determined by agreement
17 between such organization licensee and an organization
18 representing the horsemen. No monies from the Illinois
19 Thoroughbred Breeders Fund shall be used to provide purse
20 supplements for claiming races in which the minimum
21 claiming price is less than \$7,500.

22 (2) To provide stakes and awards to be paid to the
23 owners of the winning horses in certain races limited to
24 Illinois conceived and foaled and Illinois foaled horses
25 designated as stakes races.

26 (2.5) To provide an award to the owner or owners of an

1 Illinois conceived and foaled or Illinois foaled horse that
2 wins a maiden special weight, an allowance, overnight
3 handicap race, or claiming race with claiming price of
4 \$10,000 or more providing the race is not restricted to
5 Illinois conceived and foaled or Illinois foaled horses.
6 Awards shall also be provided to the owner or owners of
7 Illinois conceived and foaled and Illinois foaled horses
8 that place second or third in those races. To the extent
9 that additional moneys are required to pay the minimum
10 additional awards of 40% of the purse the horse earns for
11 placing first, second or third in those races for Illinois
12 foaled horses and of 60% of the purse the horse earns for
13 placing first, second or third in those races for Illinois
14 conceived and foaled horses, those moneys shall be provided
15 from the purse account at the track where earned.

16 (3) To provide stallion awards to the owner or owners
17 of any stallion that is duly registered with the Illinois
18 Thoroughbred Breeders Fund Program ~~prior to the effective~~
19 ~~date of this amendatory Act of 1995~~ whose duly registered
20 Illinois conceived and foaled offspring wins a race
21 conducted at an Illinois thoroughbred racing meeting other
22 than a claiming race, provided that the stallion stood for
23 service within Illinois at the time the offspring was
24 conceived and that the stallion did not stand for service
25 outside of Illinois at any time during the year in which
26 the offspring was conceived. ~~Such award shall not be paid~~

1 ~~to the owner or owners of an Illinois stallion that served~~
2 ~~outside this State at any time during the calendar year in~~
3 ~~which such race was conducted.~~

4 (4) To provide \$75,000 annually for purses to be
5 distributed to county fairs that provide for the running of
6 races during each county fair exclusively for the
7 thoroughbreds conceived and foaled in Illinois. The
8 conditions of the races shall be developed by the county
9 fair association and reviewed by the Department with the
10 advice and assistance of the Illinois Thoroughbred
11 Breeders Fund Advisory Board. There shall be no wagering of
12 any kind on the running of Illinois conceived and foaled
13 races at county fairs.

14 (4.1) To provide purse money for an Illinois stallion
15 stakes program.

16 (5) No less than 90% ~~80%~~ of all monies appropriated
17 from the Illinois Thoroughbred Breeders Fund shall be
18 expended for the purposes in (1), (2), (2.5), (3), (4),
19 (4.1), and (5) as shown above.

20 (6) To provide for educational programs regarding the
21 thoroughbred breeding industry.

22 (7) To provide for research programs concerning the
23 health, development and care of the thoroughbred horse.

24 (8) To provide for a scholarship and training program
25 for students of equine veterinary medicine.

26 (9) To provide for dissemination of public information

1 designed to promote the breeding of thoroughbred horses in
2 Illinois.

3 (10) To provide for all expenses incurred in the
4 administration of the Illinois Thoroughbred Breeders Fund.

5 (h) The Illinois Thoroughbred Breeders Fund is not subject
6 to administrative charges or chargebacks, including, but not
7 limited to, those authorized under Section 8h of the State
8 Finance Act. ~~Whenever the Governor finds that the amount in the~~
9 ~~Illinois Thoroughbred Breeders Fund is more than the total of~~
10 ~~the outstanding appropriations from such fund, the Governor~~
11 ~~shall notify the State Comptroller and the State Treasurer of~~
12 ~~such fact. The Comptroller and the State Treasurer, upon~~
13 ~~receipt of such notification, shall transfer such excess amount~~
14 ~~from the Illinois Thoroughbred Breeders Fund to the General~~
15 ~~Revenue Fund.~~

16 (i) A sum equal to 13% ~~12 1/2%~~ of the first prize money of
17 every purse won by an Illinois foaled or an Illinois conceived
18 and foaled horse in races not limited to Illinois foaled horses
19 or Illinois conceived and foaled horses, or both, shall be paid
20 by the organization licensee conducting the horse race meeting.
21 Such sum shall be paid 50% from the organization licensee's
22 account and 50% from the purse account of the licensee ~~share of~~
23 ~~the money wagered~~ as follows: 11 1/2% to the breeder of the
24 winning horse and 1 1/2% ~~1%~~ to the organization representing
25 thoroughbred breeders and owners whose representative serves
26 on the Illinois Thoroughbred Breeders Fund Advisory Board for

1 verifying the amounts of breeders' awards earned, assuring
2 their distribution in accordance with this Act, and servicing
3 and promoting the Illinois thoroughbred horse racing industry.
4 The organization representing thoroughbred breeders and owners
5 shall cause all expenditures of monies received under this
6 subsection (i) to be audited at least annually by a registered
7 public accountant. The organization shall file copies of each
8 annual audit with the Racing Board, the Clerk of the House of
9 Representatives and the Secretary of the Senate, and shall make
10 copies of each annual audit available to the public upon
11 request and upon payment of the reasonable cost of photocopying
12 the requested number of copies. Such payments shall not reduce
13 any award to the owner of the horse or reduce the taxes payable
14 under this Act. Upon completion of its racing meet, each
15 organization licensee shall deliver to the organization
16 representing thoroughbred breeders and owners whose
17 representative serves on the Illinois Thoroughbred Breeders
18 Fund Advisory Board a listing of all the Illinois foaled and
19 the Illinois conceived and foaled horses which won breeders'
20 awards and the amount of such breeders' awards under this
21 subsection to verify accuracy of payments and assure proper
22 distribution of breeders' awards in accordance with the
23 provisions of this Act. Such payments shall be delivered by the
24 organization licensee within 30 days of the end of each race
25 meeting.

26 (j) A sum equal to 13% ~~12-1/2%~~ of the first prize money won

1 in each race limited to Illinois foaled horses or Illinois
2 conceived and foaled horses, or both, shall be paid in the
3 following manner by the organization licensee conducting the
4 horse race meeting, 50% from the organization licensee's
5 account and 50% from the purse account of the licensee ~~share of~~
6 ~~the money wagered~~: 11 1/2% to the breeders of the horses in
7 each such race which are the official first, second, third and
8 fourth finishers and 1 1/2% ~~1%~~ to the organization representing
9 thoroughbred breeders and owners whose representative serves
10 on the Illinois Thoroughbred Breeders Fund Advisory Board for
11 verifying the amounts of breeders' awards earned, assuring
12 their proper distribution in accordance with this Act, and
13 servicing and promoting the Illinois thoroughbred horse racing
14 industry. The organization representing thoroughbred breeders
15 and owners shall cause all expenditures of monies received
16 under this subsection (j) to be audited at least annually by a
17 registered public accountant. The organization shall file
18 copies of each annual audit with the Racing Board, the Clerk of
19 the House of Representatives and the Secretary of the Senate,
20 and shall make copies of each annual audit available to the
21 public upon request and upon payment of the reasonable cost of
22 photocopying the requested number of copies.

23 The 11 1/2% paid to the breeders in accordance with this
24 subsection shall be distributed as follows:

- 25 (1) 60% of such sum shall be paid to the breeder of the
26 horse which finishes in the official first position;

1 (2) 20% of such sum shall be paid to the breeder of the
2 horse which finishes in the official second position;

3 (3) 15% of such sum shall be paid to the breeder of the
4 horse which finishes in the official third position; and

5 (4) 5% of such sum shall be paid to the breeder of the
6 horse which finishes in the official fourth position.

7 Such payments shall not reduce any award to the owners of a
8 horse or reduce the taxes payable under this Act. Upon
9 completion of its racing meet, each organization licensee shall
10 deliver to the organization representing thoroughbred breeders
11 and owners whose representative serves on the Illinois
12 Thoroughbred Breeders Fund Advisory Board a listing of all the
13 Illinois foaled and the Illinois conceived and foaled horses
14 which won breeders' awards and the amount of such breeders'
15 awards in accordance with the provisions of this Act. Such
16 payments shall be delivered by the organization licensee within
17 30 days of the end of each race meeting.

18 (k) The term "breeder", as used herein, means the owner of
19 the mare at the time the foal is dropped. An "Illinois foaled
20 horse" is a foal dropped by a mare which enters this State on
21 or before December 1, in the year in which the horse is bred,
22 provided the mare remains continuously in this State until its
23 foal is born. An "Illinois foaled horse" also means a foal born
24 of a mare in the same year as the mare enters this State on or
25 before March 1, and remains in this State at least 30 days
26 after foaling, is bred back during the season of the foaling to

1 an Illinois Registered Stallion (unless a veterinarian
2 certifies that the mare should not be bred for health reasons),
3 and is not bred to a stallion standing in any other state
4 during the season of foaling. An "Illinois foaled horse" also
5 means a foal born in Illinois of a mare purchased at public
6 auction subsequent to the mare entering this State on or before
7 March 1 ~~prior to February 1~~ of the foaling year providing the
8 mare is owned solely by one or more Illinois residents or an
9 Illinois entity that is entirely owned by one or more Illinois
10 residents.

11 (1) The Department of Agriculture shall, by rule, with the
12 advice and assistance of the Illinois Thoroughbred Breeders
13 Fund Advisory Board:

14 (1) Qualify stallions for Illinois breeding; such
15 stallions to stand for service within the State of Illinois
16 at the time of a foal's conception. Such stallion must not
17 stand for service at any place outside the State of
18 Illinois during the calendar year in which the foal is
19 conceived. The Department of Agriculture may assess and
20 collect an application fee of up to \$500 ~~fees~~ for the
21 registration of Illinois-eligible stallions. All fees
22 collected are to be held in trust accounts for the purposes
23 set forth in this Act and in accordance with Section 205-15
24 of the Department of Agriculture Law ~~paid into the Illinois~~
25 ~~Thoroughbred Breeders Fund.~~

26 (2) Provide for the registration of Illinois conceived

1 and foaled horses and Illinois foaled horses. No such horse
2 shall compete in the races limited to Illinois conceived
3 and foaled horses or Illinois foaled horses or both unless
4 registered with the Department of Agriculture. The
5 Department of Agriculture may prescribe such forms as are
6 necessary to determine the eligibility of such horses. The
7 Department of Agriculture may assess and collect
8 application fees for the registration of Illinois-eligible
9 foals. All fees collected are to be held in trust accounts
10 for the purposes set forth in this Act and in accordance
11 with Section 205-15 of the Department of Agriculture Law
12 ~~paid into the Illinois Thoroughbred Breeders Fund~~. No
13 person shall knowingly prepare or cause preparation of an
14 application for registration of such foals containing
15 false information.

16 (m) The Department of Agriculture, with the advice and
17 assistance of the Illinois Thoroughbred Breeders Fund Advisory
18 Board, shall provide that certain races limited to Illinois
19 conceived and foaled and Illinois foaled horses be stakes races
20 and determine the total amount of stakes and awards to be paid
21 to the owners of the winning horses in such races.

22 In determining the stakes races and the amount of awards
23 for such races, the Department of Agriculture shall consider
24 factors, including but not limited to, the amount of money
25 appropriated for the Illinois Thoroughbred Breeders Fund
26 program, organization licensees' contributions, availability

1 of stakes caliber horses as demonstrated by past performances,
2 whether the race can be coordinated into the proposed racing
3 dates within organization licensees' racing dates, opportunity
4 for colts and fillies and various age groups to race, public
5 wagering on such races, and the previous racing schedule.

6 (n) The Board and the organizational licensee shall notify
7 the Department of the conditions and minimum purses for races
8 limited to Illinois conceived and foaled and Illinois foaled
9 horses conducted for each organizational licensee conducting a
10 thoroughbred racing meeting. The Department of Agriculture
11 with the advice and assistance of the Illinois Thoroughbred
12 Breeders Fund Advisory Board may allocate monies for purse
13 supplements for such races. In determining whether to allocate
14 money and the amount, the Department of Agriculture shall
15 consider factors, including but not limited to, the amount of
16 money appropriated for the Illinois Thoroughbred Breeders Fund
17 program, the number of races that may occur, and the
18 organizational licensee's purse structure.

19 (o) In order to improve the breeding quality of
20 thoroughbred horses in the State, the General Assembly
21 recognizes that existing provisions of this Section to
22 encourage such quality breeding need to be revised and
23 strengthened. As such, a Thoroughbred Breeder's Program Task
24 Force is to be appointed by the Governor by September 1, 1999
25 to make recommendations to the General Assembly by no later
26 than March 1, 2000. This task force is to be composed of 2

1 representatives from the Illinois Thoroughbred Breeders and
2 Owners Foundation, 2 from the Illinois Thoroughbred Horsemen's
3 Association, 3 from Illinois race tracks operating
4 thoroughbred race meets for an average of at least 30 days in
5 the past 3 years, the Director of Agriculture, the Executive
6 Director of the Racing Board, who shall serve as Chairman.

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

8 (230 ILCS 5/30.5)

9 Sec. 30.5. Illinois Quarter Horse Breeders Fund.

10 (a) The General Assembly declares that it is the policy of
11 this State to encourage the breeding of racing quarter horses
12 in this State and the ownership of such horses by residents of
13 this State in order to provide for sufficient numbers of high
14 quality racing quarter horses in this State and to establish
15 and preserve the agricultural and commercial benefits of such
16 breeding and racing industries to the State of Illinois. It is
17 the intent of the General Assembly to further this policy by
18 the provisions of this Act.

19 (b) There is hereby created a non-appropriated trust
20 ~~special fund in the State Treasury~~ to be known as the Illinois
21 Racing Quarter Horse Breeders Fund, which is held separately
22 from State moneys. Except as provided in subsection (g) of
23 Section 27 of this Act, 8.5% of all the moneys received by the
24 State as pari-mutuel taxes on quarter horse racing shall be
25 paid into the Illinois Racing Quarter Horse Breeders Fund. The

1 Illinois Racing Quarter Horse Breeders Fund shall not be
2 subject to administrative charges or chargebacks, including,
3 but not limited to, those authorized under Section 8h of the
4 State Finance Act.

5 (c) The Illinois Racing Quarter Horse Breeders Fund shall
6 be administered by the Department of Agriculture with the
7 advice and assistance of the Advisory Board created in
8 subsection (d) of this Section.

9 (d) The Illinois Racing Quarter Horse Breeders Fund
10 Advisory Board shall consist of the Director of the Department
11 of Agriculture, who shall serve as Chairman; a member of the
12 Illinois Racing Board, designated by it; one representative of
13 the organization licensees conducting pari-mutuel quarter
14 horse racing meetings, recommended by them; 2 representatives
15 of the Illinois Running Quarter Horse Association, recommended
16 by it; and the Superintendent of Fairs and Promotions from the
17 Department of Agriculture. Advisory Board members shall serve
18 for 2 years commencing January 1 of each odd numbered year. If
19 representatives have not been recommended by January 1 of each
20 odd numbered year, the Director of the Department of
21 Agriculture may make an appointment for the organization
22 failing to so recommend a member of the Advisory Board.
23 Advisory Board members shall receive no compensation for their
24 services as members but may be reimbursed for all actual and
25 necessary expenses and disbursements incurred in the execution
26 of their official duties.

1 (e) Moneys in ~~No moneys shall be expended from the Illinois~~
2 ~~Racing Quarter Horse Breeders Fund except as appropriated by~~
3 ~~the General Assembly. Moneys appropriated from the Illinois~~
4 Racing Quarter Horse Breeders Fund shall be expended by the
5 Department of Agriculture, with the advice and assistance of
6 the Illinois Racing Quarter Horse Breeders Fund Advisory Board,
7 for the following purposes only:

8 (1) To provide stakes and awards to be paid to the
9 owners of the winning horses in certain races. This
10 provision is limited to Illinois conceived and foaled
11 horses.

12 (2) To provide an award to the owner or owners of an
13 Illinois conceived and foaled horse that wins a race when
14 pari-mutuel wagering is conducted; providing the race is
15 not restricted to Illinois conceived and foaled horses.

16 (3) To provide purse money for an Illinois stallion
17 stakes program.

18 (4) To provide for purses to be distributed for the
19 running of races during the Illinois State Fair and the
20 DuQuoin State Fair exclusively for quarter horses
21 conceived and foaled in Illinois.

22 (5) To provide for purses to be distributed for the
23 running of races at Illinois county fairs exclusively for
24 quarter horses conceived and foaled in Illinois.

25 (6) To provide for purses to be distributed for running
26 races exclusively for quarter horses conceived and foaled

1 in Illinois at locations in Illinois determined by the
2 Department of Agriculture with advice and consent of the
3 Racing Quarter Horse Breeders Fund Advisory Board.

4 (7) No less than 90% of all moneys appropriated from
5 the Illinois Racing Quarter Horse Breeders Fund shall be
6 expended for the purposes in items (1), (2), (3), (4), and
7 (5) of this subsection (e).

8 (8) To provide for research programs concerning the
9 health, development, and care of racing quarter horses.

10 (9) To provide for dissemination of public information
11 designed to promote the breeding of racing quarter horses
12 in Illinois.

13 (10) To provide for expenses incurred in the
14 administration of the Illinois Racing Quarter Horse
15 Breeders Fund.

16 (f) The Department of Agriculture shall, by rule, with the
17 advice and assistance of the Illinois Racing Quarter Horse
18 Breeders Fund Advisory Board:

19 (1) Qualify stallions for Illinois breeding; such
20 stallions to stand for service within the State of
21 Illinois, at the time of a foal's conception. Such stallion
22 must not stand for service at any place outside the State
23 of Illinois during the calendar year in which the foal is
24 conceived. The Department of Agriculture may assess and
25 collect application fees for the registration of
26 Illinois-eligible stallions. All fees collected are to be

1 paid into the Illinois Racing Quarter Horse Breeders Fund.

2 (2) Provide for the registration of Illinois conceived
3 and foaled horses. No such horse shall compete in the races
4 limited to Illinois conceived and foaled horses unless it
5 is registered with the Department of Agriculture. The
6 Department of Agriculture may prescribe such forms as are
7 necessary to determine the eligibility of such horses. The
8 Department of Agriculture may assess and collect
9 application fees for the registration of Illinois-eligible
10 foals. All fees collected are to be paid into the Illinois
11 Racing Quarter Horse Breeders Fund. No person shall
12 knowingly prepare or cause preparation of an application
13 for registration of such foals that contains false
14 information.

15 (g) The Department of Agriculture, with the advice and
16 assistance of the Illinois Racing Quarter Horse Breeders Fund
17 Advisory Board, shall provide that certain races limited to
18 Illinois conceived and foaled be stakes races and determine the
19 total amount of stakes and awards to be paid to the owners of
20 the winning horses in such races.

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

22 (230 ILCS 5/31) (from Ch. 8, par. 37-31)

23 Sec. 31. (a) The General Assembly declares that it is the
24 policy of this State to encourage the breeding of standardbred
25 horses in this State and the ownership of such horses by

1 residents of this State in order to provide for: sufficient
2 numbers of high quality standardbred horses to participate in
3 harness racing meetings in this State, and to establish and
4 preserve the agricultural and commercial benefits of such
5 breeding and racing industries to the State of Illinois. It is
6 the intent of the General Assembly to further this policy by
7 the provisions of this Section of this Act.

8 (b) Each organization licensee conducting a harness racing
9 meeting pursuant to this Act shall provide for at least two
10 races each race program limited to Illinois conceived and
11 foaled horses. A minimum of 6 races shall be conducted each
12 week limited to Illinois conceived and foaled horses. No horses
13 shall be permitted to start in such races unless duly
14 registered under the rules of the Department of Agriculture.

15 (b-5) Organization licensees, not including the Illinois
16 State Fair or the DuQuoin State Fair, shall provide stake races
17 and early closer races for Illinois conceived and foaled horses
18 so that purses distributed for such races shall be no less than
19 17% of total purses distributed for harness racing in that
20 calendar year in addition to any stakes payments and starting
21 fees contributed by horse owners.

22 (b-10) Each organization licensee conducting a harness
23 racing meeting pursuant to this Act shall provide an owner
24 award to be paid from the purse account equal to 25% of the
25 amount earned by Illinois conceived and foaled horses in races
26 that are not restricted to Illinois conceived and foaled

1 horses. The owner awards shall not be paid on races below the
2 \$10,000 claiming class.

3 (c) Conditions of races under subsection (b) shall be
4 commensurate with past performance, quality and class of
5 Illinois conceived and foaled horses available. If, however,
6 sufficient competition cannot be had among horses of that class
7 on any day, the races may, with consent of the Board, be
8 eliminated for that day and substitute races provided.

9 (d) There is hereby created a special fund of the State
10 Treasury to be known as the Illinois Standardbred Breeders
11 Fund.

12 During the calendar year 1981, and each year thereafter,
13 except as provided in subsection (g) of Section 27 of this Act,
14 eight and one-half per cent of all the monies received by the
15 State as privilege taxes on harness racing meetings shall be
16 paid into the Illinois Standardbred Breeders Fund.

17 (e) The Illinois Standardbred Breeders Fund shall be
18 administered by the Department of Agriculture with the
19 assistance and advice of the Advisory Board created in
20 subsection (f) of this Section.

21 (f) The Illinois Standardbred Breeders Fund Advisory Board
22 is hereby created. The Advisory Board shall consist of the
23 Director of the Department of Agriculture, who shall serve as
24 Chairman; the Superintendent of the Illinois State Fair; a
25 member of the Illinois Racing Board, designated by it; a
26 representative of the Illinois Standardbred Owners and

1 Breeders Association, recommended by it; a representative of
2 the Illinois Association of Agricultural Fairs, recommended by
3 it, such representative to be from a fair at which Illinois
4 conceived and foaled racing is conducted; a representative of
5 the organization licensees conducting harness racing meetings,
6 recommended by them and a representative of the Illinois
7 Harness Horsemen's Association, recommended by it. Advisory
8 Board members shall serve for 2 years commencing January 1, of
9 each odd numbered year. If representatives of the Illinois
10 Standardbred Owners and Breeders Associations, the Illinois
11 Association of Agricultural Fairs, the Illinois Harness
12 Horsemen's Association, and the organization licensees
13 conducting harness racing meetings have not been recommended by
14 January 1, of each odd numbered year, the Director of the
15 Department of Agriculture shall make an appointment for the
16 organization failing to so recommend a member of the Advisory
17 Board. Advisory Board members shall receive no compensation for
18 their services as members but shall be reimbursed for all
19 actual and necessary expenses and disbursements incurred in the
20 execution of their official duties.

21 (g) No monies shall be expended from the Illinois
22 Standardbred Breeders Fund except as appropriated by the
23 General Assembly. Monies appropriated from the Illinois
24 Standardbred Breeders Fund shall be expended by the Department
25 of Agriculture, with the assistance and advice of the Illinois
26 Standardbred Breeders Fund Advisory Board for the following

1 purposes only:

2 1. To provide purses for races limited to Illinois
3 conceived and foaled horses at the State Fair and the
4 DuQuoin State Fair.

5 2. To provide purses for races limited to Illinois
6 conceived and foaled horses at county fairs.

7 3. To provide purse supplements for races limited to
8 Illinois conceived and foaled horses conducted by
9 associations conducting harness racing meetings.

10 4. No less than 75% of all monies in the Illinois
11 Standardbred Breeders Fund shall be expended for purses in
12 1, 2 and 3 as shown above.

13 5. In the discretion of the Department of Agriculture
14 to provide awards to harness breeders of Illinois conceived
15 and foaled horses which win races conducted by organization
16 licensees conducting harness racing meetings. A breeder is
17 the owner of a mare at the time of conception. No more than
18 10% of all monies appropriated from the Illinois
19 Standardbred Breeders Fund shall be expended for such
20 harness breeders awards. No more than 25% of the amount
21 expended for harness breeders awards shall be expended for
22 expenses incurred in the administration of such harness
23 breeders awards.

24 6. To pay for the improvement of racing facilities
25 located at the State Fair and County fairs.

26 7. To pay the expenses incurred in the administration

1 of the Illinois Standardbred Breeders Fund.

2 8. To promote the sport of harness racing, including
3 grants up to a maximum of \$7,500 per fair per year for
4 conducting pari-mutuel wagering during the advertised
5 dates of a county fair.

6 9. To pay up to \$50,000 annually for the Department of
7 Agriculture to conduct drug testing at county fairs racing
8 standardbred horses.

9 10. To pay up to \$100,000 annually for distribution to
10 Illinois county fairs to supplement premiums offered in
11 junior classes.

12 11. To pay up to \$100,000 annually for division and
13 equal distribution to the animal sciences department of
14 each Illinois public university system engaged in equine
15 research and education on or before the effective date of
16 this amendatory Act of the 97th General Assembly for equine
17 research and education.

18 (h) ~~(Blank) Whenever the Governor finds that the amount in~~
19 ~~the Illinois Standardbred Breeders Fund is more than the total~~
20 ~~of the outstanding appropriations from such fund, the Governor~~
21 ~~shall notify the State Comptroller and the State Treasurer of~~
22 ~~such fact. The Comptroller and the State Treasurer, upon~~
23 ~~receipt of such notification, shall transfer such excess amount~~
24 ~~from the Illinois Standardbred Breeders Fund to the General~~
25 ~~Revenue Fund.~~

26 (i) A sum equal to 13% ~~12 1/2%~~ of the first prize money of

1 the gross ~~every~~ purse won by an Illinois conceived and foaled
2 horse shall be paid 50% by the organization licensee conducting
3 the horse race meeting to the breeder of such winning horse
4 from the organization licensee's account and 50% from the purse
5 account of the licensee ~~share of the money wagered~~. Such
6 payment shall not reduce any award to the owner of the horse or
7 reduce the taxes payable under this Act. Such payment shall be
8 delivered by the organization licensee at the end of each
9 quarter ~~race meeting~~.

10 (j) The Department of Agriculture shall, by rule, with the
11 assistance and advice of the Illinois Standardbred Breeders
12 Fund Advisory Board:

13 1. Qualify stallions for Illinois Standardbred
14 Breeders Fund breeding; ~~such stallion shall be owned by a~~
15 ~~resident of the State of Illinois or by an Illinois~~
16 ~~corporation all of whose shareholders, directors, officers~~
17 ~~and incorporators are residents of the State of Illinois.~~
18 Such stallion shall stand for service at and within the
19 State of Illinois at the time of a foal's conception, and
20 such stallion must not stand for service at any place, ~~nor~~
21 ~~may semen from such stallion be transported,~~ outside the
22 State of Illinois during that calendar year in which the
23 foal is conceived ~~and that the owner of the stallion was~~
24 ~~for the 12 months prior, a resident of Illinois.~~ Foals
25 conceived outside the State of Illinois from shipped semen
26 from a stallion qualified for breeders' awards under this

1 Section are not eligible to participate in the Illinois
2 conceived and foaled program. ~~The articles of agreement of~~
3 ~~any partnership, joint venture, limited partnership,~~
4 ~~syndicate, association or corporation and any bylaws and~~
5 ~~stock certificates must contain a restriction that~~
6 ~~provides that the ownership or transfer of interest by any~~
7 ~~one of the persons a party to the agreement can only be~~
8 ~~made to a person who qualifies as an Illinois resident.~~

9 2. Provide for the registration of Illinois conceived
10 and foaled horses and no such horse shall compete in the
11 races limited to Illinois conceived and foaled horses
12 unless registered with the Department of Agriculture. The
13 Department of Agriculture may prescribe such forms as may
14 be necessary to determine the eligibility of such horses.
15 No person shall knowingly prepare or cause preparation of
16 an application for registration of such foals containing
17 false information. A mare (dam) must be in the state at
18 least 30 days prior to foaling or remain in the State at
19 least 30 days at the time of foaling. Beginning with the
20 1996 breeding season and for foals of 1997 and thereafter,
21 a foal conceived in the State of Illinois by transported
22 fresh semen may be eligible for Illinois conceived and
23 foaled registration provided all breeding and foaling
24 requirements are met. The stallion must be qualified for
25 Illinois Standardbred Breeders Fund breeding at the time of
26 conception and the mare must be inseminated within the

1 State of Illinois. The foal must be dropped in Illinois and
2 properly registered with the Department of Agriculture in
3 accordance with this Act.

4 3. Provide that at least a 5 day racing program shall
5 be conducted at the State Fair each year, which program
6 shall include at least the following races limited to
7 Illinois conceived and foaled horses: (a) a two year old
8 Trot and Pace, and Filly Division of each; (b) a three year
9 old Trot and Pace, and Filly Division of each; (c) an aged
10 Trot and Pace, and Mare Division of each.

11 4. Provide for the payment of nominating, sustaining
12 and starting fees for races promoting the sport of harness
13 racing and for the races to be conducted at the State Fair
14 as provided in subsection (j) 3 of this Section provided
15 that the nominating, sustaining and starting payment
16 required from an entrant shall not exceed 2% of the purse
17 of such race. All nominating, sustaining and starting
18 payments shall be held for the benefit of entrants and
19 shall be paid out as part of the respective purses for such
20 races. Nominating, sustaining and starting fees shall be
21 held in trust accounts for the purposes as set forth in
22 this Act and in accordance with Section 205-15 of the
23 Department of Agriculture Law (20 ILCS 205/205-15).

24 5. Provide for the registration with the Department of
25 Agriculture of Colt Associations or county fairs desiring
26 to sponsor races at county fairs.

1 6. Provide for the promotion of producing standardbred
2 racehorses by providing a bonus award program for owners of
3 2-year-old horses that win multiple major stakes races that
4 are limited to Illinois conceived and foaled horses.

5 (k) The Department of Agriculture, with the advice and
6 assistance of the Illinois Standardbred Breeders Fund Advisory
7 Board, may allocate monies for purse supplements for such
8 races. In determining whether to allocate money and the amount,
9 the Department of Agriculture shall consider factors,
10 including but not limited to, the amount of money appropriated
11 for the Illinois Standardbred Breeders Fund program, the number
12 of races that may occur, and an organizational licensee's purse
13 structure. The organizational licensee shall notify the
14 Department of Agriculture of the conditions and minimum purses
15 for races limited to Illinois conceived and foaled horses to be
16 conducted by each organizational licensee conducting a harness
17 racing meeting for which purse supplements have been
18 negotiated.

19 (l) All races held at county fairs and the State Fair which
20 receive funds from the Illinois Standardbred Breeders Fund
21 shall be conducted in accordance with the rules of the United
22 States Trotting Association unless otherwise modified by the
23 Department of Agriculture.

24 (m) At all standardbred race meetings held or conducted
25 under authority of a license granted by the Board, and at all
26 standardbred races held at county fairs which are approved by

1 the Department of Agriculture or at the Illinois or DuQuoin
2 State Fairs, no one shall jog, train, warm up or drive a
3 standardbred horse unless he or she is wearing a protective
4 safety helmet, with the chin strap fastened and in place, which
5 meets the standards and requirements as set forth in the 1984
6 Standard for Protective Headgear for Use in Harness Racing and
7 Other Equestrian Sports published by the Snell Memorial
8 Foundation, or any standards and requirements for headgear the
9 Illinois Racing Board may approve. Any other standards and
10 requirements so approved by the Board shall equal or exceed
11 those published by the Snell Memorial Foundation. Any
12 equestrian helmet bearing the Snell label shall be deemed to
13 have met those standards and requirements.

14 (Source: P.A. 91-239, eff. 1-1-00.)

15 (230 ILCS 5/31.1) (from Ch. 8, par. 37-31.1)

16 Sec. 31.1. (a) Organization licensees collectively shall
17 contribute annually to charity the sum of \$1,000,000 ~~\$750,000~~
18 to non-profit organizations that provide medical and family,
19 counseling, and similar services to persons who reside or work
20 on the backstretch of Illinois racetracks. These contributions
21 shall be collected as follows: (i) no later than July 1st of
22 each year the Board shall assess each organization licensee,
23 except those tracks which are not within 100 miles of each
24 other which tracks shall pay \$40,000 ~~\$30,000~~ annually apiece
25 into the Board charity fund, that amount which equals \$920,000

1 ~~\$690,000~~ multiplied by the amount of pari-mutuel wagering
2 handled by the organization licensee in the year preceding
3 assessment and divided by the total pari-mutuel wagering
4 handled by all Illinois organization licensees, except those
5 tracks which are not within 100 miles of each other, in the
6 year preceding assessment; (ii) notice of the assessed
7 contribution shall be mailed to each organization licensee;
8 (iii) within thirty days of its receipt of such notice, each
9 organization licensee shall remit the assessed contribution to
10 the Board. If an organization licensee wilfully fails to so
11 remit the contribution, the Board may revoke its license to
12 conduct horse racing.

13 (b) No later than October 1st of each year, any qualified
14 charitable organization seeking an allotment of contributed
15 funds shall submit to the Board an application for those funds,
16 using the Board's approved form. No later than December 31st of
17 each year, the Board shall distribute all such amounts
18 collected that year to such charitable organization
19 applicants.

20 (Source: P.A. 87-110.)

21 (230 ILCS 5/32.1)

22 Sec. 32.1. Pari-mutuel tax credit; statewide racetrack
23 real estate equalization.

24 (a) In order to encourage new investment in Illinois
25 racetrack facilities and mitigate differing real estate tax

1 burdens among all racetracks, the licensees affiliated or
2 associated with each racetrack that has been awarded live
3 racing dates in the current year shall receive an immediate
4 pari-mutuel tax credit in an amount equal to the greater of (i)
5 50% of the amount of the real estate taxes paid in the prior
6 year attributable to that racetrack, or (ii) the amount by
7 which the real estate taxes paid in the prior year attributable
8 to that racetrack exceeds 60% of the average real estate taxes
9 paid in the prior year for all racetracks awarded live horse
10 racing meets in the current year.

11 Each year, regardless of whether the organization licensee
12 conducted live racing in the year of certification, the Board
13 shall certify in writing, prior to December 31, the real estate
14 taxes paid in that year for each racetrack and the amount of
15 the pari-mutuel tax credit that each organization licensee,
16 intertrack wagering licensee, and intertrack wagering location
17 licensee that derives its license from such racetrack is
18 entitled in the succeeding calendar year. The real estate taxes
19 considered under this Section for any racetrack shall be those
20 taxes on the real estate parcels and related facilities used to
21 conduct a horse race meeting and inter-track wagering at such
22 racetrack under this Act. In no event shall the amount of the
23 tax credit under this Section exceed the amount of pari-mutuel
24 taxes otherwise calculated under this Act. The amount of the
25 tax credit under this Section shall be retained by each
26 licensee and shall not be subject to any reallocation or

1 further distribution under this Act. The Board may promulgate
2 emergency rules to implement this Section.

3 (b) Beginning on January 1 following the calendar year
4 during which an organization licensee begins conducting
5 electronic gaming operations pursuant to Section 56 of this
6 Act, the maximum credit amount an organization licensee shall
7 be eligible to receive pursuant to this Section shall be equal
8 to 50% of the credit awarded to the organization licensee in
9 calendar year 2010.

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

11 (230 ILCS 5/34.3 new)

12 Sec. 34.3. Drug testing. The Illinois Racing Board and the
13 Department of Agriculture shall jointly establish a program for
14 the purpose of conducting drug testing of horses at county
15 fairs and shall adopt any rules necessary for enforcement of
16 the program. The rules shall include appropriate penalties for
17 violations.

18 (230 ILCS 5/36) (from Ch. 8, par. 37-36)

19 Sec. 36. (a) Whoever administers or conspires to administer
20 to any horse a hypnotic, narcotic, stimulant, depressant or any
21 chemical substance which may affect the speed of a horse at any
22 time in any race where the purse or any part of the purse is
23 made of money authorized by any Section of this Act, except
24 those chemical substances permitted by ruling of the Board,

1 internally, externally or by hypodermic method in a race or
2 prior thereto, or whoever knowingly enters a horse in any race
3 within a period of 24 hours after any hypnotic, narcotic,
4 stimulant, depressant or any other chemical substance which may
5 affect the speed of a horse at any time, except those chemical
6 substances permitted by ruling of the Board, has been
7 administered to such horse either internally or externally or
8 by hypodermic method for the purpose of increasing or retarding
9 the speed of such horse shall be guilty of a Class 4 felony.
10 The Board shall suspend or revoke such violator's license.

11 (b) The term "hypnotic" as used in this Section includes
12 all barbituric acid preparations and derivatives.

13 (c) The term "narcotic" as used in this Section includes
14 opium and all its alkaloids, salts, preparations and
15 derivatives, cocaine and all its salts, preparations and
16 derivatives and substitutes.

17 (d) The provisions of this Section 36 and the treatment
18 authorized herein apply to horses entered in and competing in
19 race meetings as defined in Section 3.47 of this Act and to
20 horses entered in and competing at any county fair.

21 (Source: P.A. 79-1185.)

22 (230 ILCS 5/40) (from Ch. 8, par. 37-40)

23 Sec. 40. (a) The imposition of any fine or penalty provided
24 in this Act shall not preclude the Board in its rules and
25 regulations from imposing a fine or penalty for any other

1 action which, in the Board's discretion, is a detriment or
2 impediment to horse racing.

3 (b) The Director of Agriculture or his or her authorized
4 representative shall impose the following monetary penalties
5 and hold administrative hearings as required for failure to
6 submit the following applications, lists, or reports within the
7 time period, date or manner required by statute or rule or for
8 removing a foal from Illinois prior to inspection:

9 (1) late filing of a renewal application for offering
10 or standing stallion for service:

11 (A) if an application is submitted no more than 30
12 days late, \$50;

13 (B) if an application is submitted no more than 45
14 days late, \$150; or

15 (C) if an application is submitted more than 45
16 days late, if filing of the application is allowed
17 under an administrative hearing, \$250;

18 (2) late filing of list or report of mares bred:

19 (A) if a list or report is submitted no more than
20 30 days late, \$50;

21 (B) if a list or report is submitted no more than
22 60 days late \$150; or

23 (C) if a list or report is submitted more than 60
24 days late, if filing of the list or report is allowed
25 under an administrative hearing, \$250;

26 (3) filing an Illinois foaled thoroughbred mare status

1 report after the statutory deadline as provided in
2 subsection (k) of Section 30 of this Act ~~December 31~~:

3 (A) if a report is submitted no more than 30 days
4 late, \$50;

5 (B) if a report is submitted no more than 90 days
6 late, \$150;

7 (C) if a report is submitted no more than 150 days
8 late, \$250; or

9 (D) if a report is submitted more than 150 days
10 late, if filing of the report is allowed under an
11 administrative hearing, \$500;

12 (4) late filing of application for foal eligibility
13 certificate:

14 (A) if an application is submitted no more than 30
15 days late, \$50;

16 (B) if an application is submitted no more than 90
17 days late, \$150;

18 (C) if an application is submitted no more than 150
19 days late, \$250; or

20 (D) if an application is submitted more than 150
21 days late, if filing of the application is allowed
22 under an administrative hearing, \$500;

23 (5) failure to report the intent to remove a foal from
24 Illinois prior to inspection, identification and
25 certification by a Department of Agriculture investigator,
26 \$50; and

1 (6) if a list or report of mares bred is incomplete,
2 \$50 per mare not included on the list or report.

3 Any person upon whom monetary penalties are imposed under
4 this Section 3 times within a 5 year period shall have any
5 further monetary penalties imposed at double the amounts set
6 forth above. All monies assessed and collected for violations
7 relating to thoroughbreds shall be paid into the Thoroughbred
8 Breeders Fund. All monies assessed and collected for violations
9 relating to standardbreds shall be paid into the Standardbred
10 Breeders Fund.

11 (Source: P.A. 87-397.)

12 (230 ILCS 5/56 new)

13 Sec. 56. Electronic gaming.

14 (a) A person, firm, or corporation having operating control
15 of a race track, including the Illinois State Fairgrounds
16 Racetrack Authority, may apply to the Gaming Board for an
17 electronic gaming license. An electronic gaming license shall
18 authorize its holder to conduct electronic gaming on the
19 grounds of the race track controlled by the licensee's race
20 track. Only one electronic gaming license may be awarded for
21 any race track. Each license shall specify the number of gaming
22 positions that its holder may operate.

23 An electronic gaming licensee may not permit persons under
24 21 years of age to be present in its electronic gaming
25 facility, but the licensee may accept wagers on live racing and

1 inter-track wagers at its electronic gaming facility.

2 (b) The adjusted gross receipts by an electronic gaming
3 licensee from electronic gaming remaining after the payment of
4 taxes under Section 13 of the Illinois Gambling Act shall be
5 distributed as follows:

6 (1) Amounts shall be paid to the purse account at the
7 track at which the organization licensee is conducting
8 racing equal to the following:

9 12.75% of annual adjusted gross receipts up to and
10 including \$75,000,000;

11 20% of annual adjusted gross receipts in excess of
12 \$75,000,000 but not exceeding \$100,000,000;

13 26.5% of annual adjusted gross receipts in excess
14 of \$100,000,000 but not exceeding \$125,000,000; and

15 20.5% of annual adjusted gross receipts in excess
16 of \$125,000,000.

17 (2) The remainder shall be retained by the electronic
18 gaming licensee.

19 (c) Electronic gaming receipts placed into the purse
20 account of an organization licensee racing thoroughbred horses
21 shall be used for purses, for health care services or worker's
22 compensation for racing industry workers, for equine research,
23 for programs to care for and transition injured and retired
24 thoroughbred horses that race at the race track, or for horse
25 ownership promotion, in accordance with the agreement of the
26 horsemen's association representing the largest number of

1 owners or trainers who race at that organization licensee's
2 race meetings.

3 Annually, from the purse account of an organization
4 licensee racing thoroughbred horses in the State, except for in
5 Madison County, an amount equal to 12% of the electronic gaming
6 receipts placed into the purse accounts shall be paid to the
7 Illinois Thoroughbred Breeders Fund and shall be used for owner
8 awards; a stallion program pursuant to paragraph (3) of
9 subsection (g) of Section 30 of this Act; and Illinois
10 conceived and foaled stakes races pursuant to paragraph (2) of
11 subsection (g) of Section 30 of this Act, as specifically
12 designated by the horsemen's association representing the
13 largest number of owners or trainers who race at the
14 organization licensee's race meetings.

15 Annually, from the purse account of an organization
16 licensee racing thoroughbred horses in Madison County, an
17 amount equal to 10% of the electronic gaming receipts placed
18 into the purse accounts shall be paid to the Illinois
19 Thoroughbred Breeders Fund and shall be used for owner awards;
20 a stallion program pursuant to paragraph (3) of subsection (g)
21 of Section 30 of this Act; and Illinois conceived and foaled
22 stakes races pursuant to paragraph (2) of subsection (g) of
23 Section 30 of this Act, as specifically designated by the
24 horsemen's association representing the largest number of
25 owners or trainers who race at the organization licensee's race
26 meetings.

1 Annually, from the purse account of an organization
2 licensee conducting thoroughbred races at a race track in
3 Madison County, an amount equal to 1% of the electronic gaming
4 receipts distributed to purses per subsection (b) of this
5 Section 56 shall be paid as follows: 0.33 1/3% to Southern
6 Illinois University Department of Animal Sciences for equine
7 research and education, an amount equal to 0.33 1/3% of the
8 electronic gaming receipts shall be used to operate laundry
9 facilities for backstretch workers at that race track, and an
10 amount equal to 0.33 1/3% of the electronic gaming receipts
11 shall be paid to programs to care for injured and unwanted
12 horses that race at that race track.

13 Annually, from the purse account of organization licensees
14 conducting thoroughbred races at race tracks in Cook County,
15 \$100,000 shall be paid for division and equal distribution to
16 the animal sciences department of each Illinois public
17 university system engaged in equine research and education on
18 or before the effective date of this amendatory Act of the 97th
19 General Assembly for equine research and education.

20 (d) Annually, from the purse account of an organization
21 licensee racing standardbred horses outside of Sangamon
22 County, an amount equal to 15% of the electronic gaming
23 receipts placed into that purse account shall be paid to the
24 Illinois Colt Stakes Purse Distribution Fund. Moneys deposited
25 into the Illinois Colt Stakes Purse Distribution Fund shall be
26 used for standardbred racing as authorized in paragraphs 1, 2,

1 3, 8, 9, 10, and 11 of subsection (g) of Section 31 of this Act
2 and for bonus awards as authorized under paragraph 6 of
3 subsection (j) of Section 31 of this Act.

4 (d-5) Annually, from the purse account of an organization
5 licensee racing at the Illinois State Fairgrounds, an amount
6 equal to 14.33% shall be transferred to the thoroughbred purse
7 accounts of each of the following: Arlington Park Racetrack,
8 Hawthorne Racecourse, and Fairmount Park Racetrack. Beginning
9 on January 1, 2013, from the purse account of an organization
10 licensee racing at the Illinois State Fairgrounds, an amount
11 equal to \$100,000 shall be transferred annually into the
12 Illinois Racing Quarterhorse Breeders Fund.

13 (e) As a requirement for continued eligibility to conduct
14 electronic gaming, each organization licensee must promote
15 live racing and horse ownership through marketing and
16 promotional efforts. To meet this requirement, all
17 organization licensees operating at each race track facility
18 must collectively expend the amount of the pari-mutuel tax
19 credit that was certified by the Illinois Racing Board in the
20 prior calendar year pursuant to Section 32.1 of this Act for
21 that race track facility, in addition to the amount that was
22 expended by each organizational licensee for such efforts in
23 calendar year 2009. Such incremental expenditures must be
24 directed to assure that all marketing expenditures, including
25 those for the organization licensee's electronic gaming
26 facility, advertise, market, and promote horse racing or horse

1 ownership. The amount spent by the organization licensee for
2 such marketing and promotional efforts in 2009 shall be
3 certified by the Board no later than 90 days after the
4 effective date of this Section.

5 The Board shall review any amounts expended pursuant to
6 this subsection (e) and shall also include an itemized
7 description of the amount that was expended by each
8 organization licensee pursuant to this subsection (e) in the
9 annual report that the Board is required to submit pursuant to
10 subsection (d) of Section 14 of the Illinois Horse Racing Act
11 of 1975.

12 Section 90-40. The Riverboat Gambling Act is amended by
13 changing Sections 1, 2, 3, 4, 5, 5.1, 6, 7, 7.3, 7.5, 8, 9, 11,
14 11.1, 12, 13, 14, 18, 19, 20, and 23 and by adding Sections
15 5.3, 7.6, 7.7, 7.8, 7.9, 7.10, 7.11, and 7.12 as follows:

16 (230 ILCS 10/1) (from Ch. 120, par. 2401)

17 Sec. 1. Short title. This Act shall be known and may be
18 cited as the Illinois ~~Riverboat~~ Gambling Act.

19 (Source: P.A. 86-1029.)

20 (230 ILCS 10/2) (from Ch. 120, par. 2402)

21 Sec. 2. Legislative Intent.

22 (a) This Act is intended to benefit the people of the State
23 of Illinois by assisting economic development and promoting

1 Illinois tourism and by increasing the amount of revenues
2 available to the State to assist and support education.

3 (b) While authorization of riverboat and casino gambling
4 will enhance investment, development and tourism in Illinois,
5 it is recognized that it will do so successfully only if public
6 confidence and trust in the credibility and integrity of the
7 gambling operations and the regulatory process is maintained.
8 Therefore, regulatory provisions of this Act are designed to
9 strictly regulate the facilities, persons, associations and
10 practices related to gambling operations pursuant to the police
11 powers of the State, including comprehensive law enforcement
12 supervision.

13 (c) The Illinois Gaming Board established under this Act
14 should, as soon as possible, inform each applicant for an
15 owners license of the Board's intent to grant or deny a
16 license.

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

18 (230 ILCS 10/3) (from Ch. 120, par. 2403)

19 Sec. 3. ~~Riverboat~~ Gambling Authorized.

20 (a) Riverboat and casino gambling operations and
21 electronic gaming operations ~~and the system of wagering~~
22 ~~incorporated therein~~, as defined in this Act, are hereby
23 authorized to the extent that they are carried out in
24 accordance with the provisions of this Act.

25 (b) This Act does not apply to the pari-mutuel system of

1 wagering used or intended to be used in connection with the
2 horse-race meetings as authorized under the Illinois Horse
3 Racing Act of 1975, lottery games authorized under the Illinois
4 Lottery Law, bingo authorized under the Bingo License and Tax
5 Act, charitable games authorized under the Charitable Games Act
6 or pull tabs and jar games conducted under the Illinois Pull
7 Tabs and Jar Games Act. This Act applies to electronic gaming
8 authorized under the Illinois Horse Racing Act of 1975 to the
9 extent provided in that Act and in this Act.

10 (c) Riverboat gambling conducted pursuant to this Act may
11 be authorized upon any water within the State of Illinois or
12 any water other than Lake Michigan which constitutes a boundary
13 of the State of Illinois. Notwithstanding any provision in this
14 subsection (c) to the contrary, a licensee that receives its
15 license pursuant to subsection (e-5) of Section 7 may conduct
16 riverboat gambling on Lake Michigan from a home dock located on
17 Lake Michigan subject to any limitations contained in Section
18 7. Notwithstanding any provision in this subsection (c) to the
19 contrary, a licensee may conduct gambling at its home dock
20 facility as provided in Sections 7 and 11. A licensee may
21 conduct riverboat gambling authorized under this Act
22 regardless of whether it conducts excursion cruises. A licensee
23 may permit the continuous ingress and egress of passengers for
24 the purpose of gambling.

25 (d) Gambling that is conducted in accordance with this Act
26 using slot machines and video games of chance and other

1 electronic gambling games as defined in both the Illinois
2 Gambling Act and the Illinois Horse Racing Act of 1975 is
3 authorized.

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

5 (230 ILCS 10/4) (from Ch. 120, par. 2404)

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

7 ~~(a)~~ "Board" means the Illinois Gaming Board.

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

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

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

23 "Slot machine" means any mechanical, electrical, or other
24 device, contrivance, or machine that is authorized by the Board
25 as a wagering device under this Act which, upon insertion of a

1 coin, currency, token, or similar object therein, or upon
2 payment of any consideration whatsoever, is available to play
3 or operate, the play or operation of which may deliver or
4 entitle the person playing or operating the machine to receive
5 cash, premiums, merchandise, tokens, or anything of value
6 whatsoever, whether the payoff is made automatically from the
7 machine or in any other manner whatsoever. A slot machine:

8 (1) May utilize spinning reels or video displays or
9 both.

10 (2) May or may not dispense coins, tickets, or tokens
11 to winning patrons.

12 (3) May use an electronic credit system for receiving
13 wagers and making payouts.

14 (4) May simulate a table game.

15 "Slot machine" does not include table games authorized by
16 the Board as a wagering device under this Act.

17 ~~(e)~~ "Managers license" means a license issued by the Board
18 to a person or entity to manage gambling operations conducted
19 by the State pursuant to Section 7.3.

20 ~~(f)~~ "Dock" means the location where a riverboat moors for
21 the purpose of embarking passengers for and disembarking
22 passengers from the riverboat.

23 ~~(g)~~ "Gross receipts" means the total amount of money
24 exchanged for the purchase of chips, tokens, or electronic
25 cards by riverboat patrons.

26 ~~(h)~~ "Adjusted gross receipts" means the gross receipts less

1 winnings paid to wagerers.

2 ~~(i)~~ "Cheat" means to alter the selection of criteria which
3 determine the result of a gambling game or the amount or
4 frequency of payment in a gambling game.

5 ~~(j)~~ (Blank).

6 ~~(k)~~ "Gambling operation" means the conduct of ~~authorized~~
7 gambling games authorized under this Act upon a riverboat or in
8 a casino or authorized under this Act and the Illinois Horse
9 Racing Act of 1975 at an electronic gaming facility.

10 ~~(l)~~ "License bid" means the lump sum amount of money that
11 an applicant bids and agrees to pay the State in return for an
12 owners license that is issued or re-issued on or after July 1,
13 2003.

14 "Table game" means a live gaming apparatus upon which
15 gaming is conducted or that determines an outcome that is the
16 object of a wager, including, but not limited to, baccarat,
17 twenty-one, blackjack, poker, craps, roulette wheel, klondike
18 table, punchboard, faro layout, keno layout, numbers ticket,
19 push card, jar ticket, pull tab, or other similar games that
20 are authorized by the Board as a wagering device under this
21 Act. "Table game" does not include slot machines or video games
22 of chance.

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

1 "Authority" means the Chicago Casino Development
2 Authority.

3 "Casino" means a facility at which lawful gambling is
4 authorized as provided in this Act.

5 "Owners license" means a license to conduct riverboat or
6 casino gambling operations, but does not include an electronic
7 gaming license.

8 "Licensed owner" means a person who holds an owners
9 license.

10 "Electronic gaming" means slot machine gambling, video
11 game of chance gambling, or gambling with electronic gambling
12 games as defined in the Illinois Gambling Act or defined by the
13 Board that is conducted at a race track pursuant to an
14 electronic gaming license.

15 "Electronic gaming facility" means the area where the Board
16 has authorized electronic gaming at a race track of an
17 organization licensee under the Illinois Horse Racing Act of
18 1975 that holds an electronic gaming license.

19 "Electronic gaming license" means a license issued by the
20 Board under Section 7.6 of this Act authorizing electronic
21 gaming at an electronic gaming facility.

22 "Electronic gaming licensee" means an entity that holds an
23 electronic gaming license.

24 "Organization licensee" means an entity authorized by the
25 Illinois Racing Board to conduct pari-mutuel wagering in
26 accordance with the Illinois Horse Racing Act of 1975,

1 including the Illinois State Fairgrounds Racetrack Authority.
2 With respect only to electronic gaming, "organization
3 licensee" includes the authorization for electronic gaming
4 created under subsection (a) of Section 56 of the Illinois
5 Horse Racing Act of 1975, including the Illinois State
6 Fairground Racetrack Authority.

7 "Casino operator license" means the license held by the
8 person or entity selected by the Authority to manage and
9 operate a riverboat or casino within the geographic area of the
10 authorized municipality pursuant to this Act and the Chicago
11 Casino Development Authority Act.

12 (Source: P.A. 95-331, eff. 8-21-07; 96-1392, eff. 1-1-11.)

13 (230 ILCS 10/5) (from Ch. 120, par. 2405)

14 Sec. 5. Gaming Board.

15 (a) (1) There is hereby established the Illinois Gaming
16 Board, which shall have the powers and duties specified in this
17 Act, and all other powers necessary and proper to fully and
18 effectively execute this Act for the purpose of administering,
19 regulating, and enforcing the system of riverboat and casino
20 gambling and electronic gaming established by this Act. Its
21 jurisdiction shall extend under this Act to every person,
22 association, corporation, partnership and trust involved in
23 riverboat and casino gambling operations and electronic gaming
24 in the State of Illinois.

25 (2) The Board shall consist of 5 members to be appointed by

1 the Governor with the advice and consent of the Senate, one of
2 whom shall be designated by the Governor to be chairperson
3 ~~chairman~~. Each member shall have a reasonable knowledge of the
4 practice, procedure and principles of gambling operations.
5 Each member shall either be a resident of Illinois or shall
6 certify that he or she will become a resident of Illinois
7 before taking office.

8 The Board must include the following:

9 (A) One member who has received, at a minimum, a
10 bachelor's degree from an accredited school and at least 10
11 years of verifiable training and experience in the fields
12 of investigation and law enforcement.

13 (B) One member who is a certified public accountant
14 with experience in auditing and with knowledge of complex
15 corporate structures and transactions.

16 (C) One member who has 5 years' experience as a
17 principal, senior officer, or director of a company or
18 business with either material responsibility for the daily
19 operations and management of the overall company or
20 business or material responsibility for the policy making
21 of the company or business.

22 (D) One member who is a lawyer licensed to practice law
23 in Illinois.

24 No more than 3 members of the Board may be from the same
25 political party. The Board should reflect the ethnic, cultural,
26 and geographic diversity of the State. No Board member shall,

1 within a period of one year immediately preceding nomination,
2 have been employed or received compensation or fees for
3 services from a person or entity, or its parent or affiliate,
4 that has engaged in business with the Board, a licensee, or a
5 licensee under the Illinois Horse Racing Act of 1975. Board
6 members must publicly disclose all prior affiliations with
7 gaming interests, including any compensation, fees, bonuses,
8 salaries, and other reimbursement received from a person or
9 entity, or its parent or affiliate, that has engaged in
10 business with the Board, a licensee, or a licensee under the
11 Illinois Horse Racing Act of 1975. This disclosure must be made
12 within 30 days after nomination but prior to confirmation by
13 the Senate and must be made available to the members of the
14 Senate. ~~At least one member shall be experienced in law~~
15 ~~enforcement and criminal investigation, at least one member~~
16 ~~shall be a certified public accountant experienced in~~
17 ~~accounting and auditing, and at least one member shall be a~~
18 ~~lawyer licensed to practice law in Illinois.~~

19 (3) The terms of office of the Board members shall be 3
20 years, except that the terms of office of the initial Board
21 members appointed pursuant to this Act will commence from the
22 effective date of this Act and run as follows: one for a term
23 ending July 1, 1991, 2 for a term ending July 1, 1992, and 2 for
24 a term ending July 1, 1993. Upon the expiration of the
25 foregoing terms, the successors of such members shall serve a
26 term for 3 years and until their successors are appointed and

1 qualified for like terms. Vacancies in the Board shall be
2 filled for the unexpired term in like manner as original
3 appointments. Each member of the Board shall be eligible for
4 reappointment at the discretion of the Governor with the advice
5 and consent of the Senate.

6 (4) Each member of the Board shall receive \$300 for each
7 day the Board meets and for each day the member conducts any
8 hearing pursuant to this Act. Each member of the Board shall
9 also be reimbursed for all actual and necessary expenses and
10 disbursements incurred in the execution of official duties.

11 (5) No person shall be appointed a member of the Board or
12 continue to be a member of the Board who is, or whose spouse,
13 child or parent is, a member of the board of directors of, or a
14 person financially interested in, any gambling operation
15 subject to the jurisdiction of this Board, or any race track,
16 race meeting, racing association or the operations thereof
17 subject to the jurisdiction of the Illinois Racing Board. No
18 Board member shall hold any other public office. No person
19 shall be a member of the Board who is not of good moral
20 character or who has been convicted of, or is under indictment
21 for, a felony under the laws of Illinois or any other state, or
22 the United States.

23 (5.5) No member of the Board shall engage in any political
24 activity. For the purposes of this Section, "political" means
25 any activity in support of or in connection with any campaign
26 for federal, State, or local elective office or any political

1 organization, but does not include activities (i) relating to
2 the support or opposition of any executive, legislative, or
3 administrative action (as those terms are defined in Section 2
4 of the Lobbyist Registration Act), (ii) relating to collective
5 bargaining, or (iii) that are otherwise in furtherance of the
6 person's official State duties or governmental and public
7 service functions.

8 (6) Any member of the Board may be removed by the Governor
9 for neglect of duty, misfeasance, malfeasance, or nonfeasance
10 in office or for engaging in any political activity.

11 (7) Before entering upon the discharge of the duties of his
12 office, each member of the Board shall take an oath that he
13 will faithfully execute the duties of his office according to
14 the laws of the State and the rules and regulations adopted
15 therewith and shall give bond to the State of Illinois,
16 approved by the Governor, in the sum of \$25,000. Every such
17 bond, when duly executed and approved, shall be recorded in the
18 office of the Secretary of State. Whenever the Governor
19 determines that the bond of any member of the Board has become
20 or is likely to become invalid or insufficient, he shall
21 require such member forthwith to renew his bond, which is to be
22 approved by the Governor. Any member of the Board who fails to
23 take oath and give bond within 30 days from the date of his
24 appointment, or who fails to renew his bond within 30 days
25 after it is demanded by the Governor, shall be guilty of
26 neglect of duty and may be removed by the Governor. The cost of

1 any bond given by any member of the Board under this Section
2 shall be taken to be a part of the necessary expenses of the
3 Board.

4 (8) The Board shall employ such personnel as may be
5 necessary to carry out its functions and shall determine the
6 salaries of all personnel, except those personnel whose
7 salaries are determined under the terms of a collective
8 bargaining agreement. No person shall be employed to serve the
9 Board who is, or whose spouse, parent or child is, an official
10 of, or has a financial interest in or financial relation with,
11 any operator engaged in gambling operations within this State
12 or any organization engaged in conducting horse racing within
13 this State. For the one year immediately preceding employment,
14 an employee shall not have been employed or received
15 compensation or fees for services from a person or entity, or
16 its parent or affiliate, that has engaged in business with the
17 Board, a licensee, or a licensee under the Illinois Horse
18 Racing Act of 1975. Any employee violating these prohibitions
19 shall be subject to termination of employment. In addition, all
20 Board members and employees are subject to the restrictions set
21 forth in Section 5-45 of the State Officials and Employees
22 Ethics Act.

23 (9) An Administrator shall be appointed by the Governor
24 with the advice and consent of the Senate. An Administrator
25 shall perform any and all duties that the Board shall assign
26 him. The salary of the Administrator shall be determined by the

1 Board and, in addition, he shall be reimbursed for all actual
2 and necessary expenses incurred by him in discharge of his
3 official duties. The Administrator shall keep records of all
4 proceedings of the Board and shall preserve all records, books,
5 documents and other papers belonging to the Board or entrusted
6 to its care. The Administrator shall devote his full time to
7 the duties of the office and shall not hold any other office or
8 employment. In addition to other prescribed duties, the
9 Administrator shall establish a system by which personnel
10 assisting the Board regarding the issuance of owners licenses,
11 whether it be relocation, re-issuance, or the initial issuance,
12 shall be assigned specific duties in each instance, thereby
13 preventing a conflict of interest in regards to the
14 decision-making process. A conflict of interest exists if a
15 situation influences or creates the appearance that it may
16 influence judgment or performance of duties or
17 responsibilities.

18 (b) The Board shall have general responsibility for the
19 implementation of this Act. Its duties include, without
20 limitation, the following:

21 (1) To decide promptly and in reasonable order all
22 license applications. Any party aggrieved by an action of
23 the Board denying, suspending, revoking, restricting or
24 refusing to renew a license may request a hearing before
25 the Board. A request for a hearing must be made to the
26 Board in writing within 5 days after service of notice of

1 the action of the Board. Notice of the action of the Board
2 shall be served either by personal delivery or by certified
3 mail, postage prepaid, to the aggrieved party. Notice
4 served by certified mail shall be deemed complete on the
5 business day following the date of such mailing. The Board
6 shall conduct all requested hearings promptly and in
7 reasonable order;

8 (2) To conduct all hearings pertaining to civil
9 violations of this Act or rules and regulations promulgated
10 hereunder;

11 (3) To promulgate such rules and regulations as in its
12 judgment may be necessary to protect or enhance the
13 credibility and integrity of gambling operations
14 authorized by this Act and the regulatory process
15 hereunder;

16 (4) To provide for the establishment and collection of
17 all license and registration fees and taxes imposed by this
18 Act and the rules and regulations issued pursuant hereto.
19 All such fees and taxes shall be deposited into the State
20 Gaming Fund;

21 (5) To provide for the levy and collection of penalties
22 and fines for the violation of provisions of this Act and
23 the rules and regulations promulgated hereunder. All such
24 fines and penalties shall be deposited into the Education
25 Assistance Fund, created by Public Act 86-0018, of the
26 State of Illinois;

1 (6) To be present through its inspectors and agents any
2 time gambling operations are conducted on any riverboat, in
3 any casino, or at any electronic gaming facility for the
4 purpose of certifying the revenue thereof, receiving
5 complaints from the public, and conducting such other
6 investigations into the conduct of the gambling games and
7 the maintenance of the equipment as from time to time the
8 Board may deem necessary and proper;

9 (7) To review and rule upon any complaint by a licensee
10 regarding any investigative procedures of the State which
11 are unnecessarily disruptive of gambling operations. The
12 need to inspect and investigate shall be presumed at all
13 times. The disruption of a licensee's operations shall be
14 proved by clear and convincing evidence, and establish
15 that: (A) the procedures had no reasonable law enforcement
16 purposes, and (B) the procedures were so disruptive as to
17 unreasonably inhibit gambling operations;

18 (8) To hold at least one meeting each quarter of the
19 fiscal year. In addition, special meetings may be called by
20 the Chairman or any 2 Board members upon 72 hours written
21 notice to each member. All Board meetings shall be subject
22 to the Open Meetings Act. Three members of the Board shall
23 constitute a quorum, and 3 votes shall be required for any
24 final determination by the Board. The Board shall keep a
25 complete and accurate record of all its meetings. A
26 majority of the members of the Board shall constitute a

1 quorum for the transaction of any business, for the
2 performance of any duty, or for the exercise of any power
3 which this Act requires the Board members to transact,
4 perform or exercise en banc, except that, upon order of the
5 Board, one of the Board members or an administrative law
6 judge designated by the Board may conduct any hearing
7 provided for under this Act or by Board rule and may
8 recommend findings and decisions to the Board. The Board
9 member or administrative law judge conducting such hearing
10 shall have all powers and rights granted to the Board in
11 this Act. The record made at the time of the hearing shall
12 be reviewed by the Board, or a majority thereof, and the
13 findings and decision of the majority of the Board shall
14 constitute the order of the Board in such case;

15 (9) To maintain records which are separate and distinct
16 from the records of any other State board or commission.
17 Such records shall be available for public inspection and
18 shall accurately reflect all Board proceedings;

19 (10) To file a written annual report with the Governor
20 on or before March 1 each year and such additional reports
21 as the Governor may request. The annual report shall
22 include a statement of receipts and disbursements by the
23 Board, actions taken by the Board, and any additional
24 information and recommendations which the Board may deem
25 valuable or which the Governor may request;

26 (11) (Blank);

1 (12) (Blank);

2 (13) To assume responsibility for administration and
3 enforcement of the Video Gaming Act; ~~and~~

4 (13.5) To assume responsibility for the administration
5 and enforcement of operations at electronic gaming
6 facilities pursuant to this Act and the Illinois Horse
7 Racing Act of 1975; and

8 (14) To adopt, by rule, a code of conduct governing
9 Board members and employees that ensure, to the maximum
10 extent possible, that persons subject to this Code avoid
11 situations, relationships, or associations that may
12 represent or lead to a conflict of interest.

13 Any action by the Board or staff of the Board, including,
14 but not limited to, denying a renewal, approving procedures
15 (including internal controls), levying a fine or penalty,
16 promotions, or other activities affecting an applicant for
17 licensure or a licensee, may at the discretion of the applicant
18 or licensee be appealed to an administrative law judge in
19 accordance with subsection (b) of Section 17.1.

20 Internal controls and changes submitted by licensees must
21 be reviewed and either approved or denied with cause within 60
22 days after receipt by the Illinois Gaming Board. In the event
23 an internal control submission or change does not meet the
24 standards set by the Board, staff of the Board must provide
25 technical assistance to the licensee to rectify such
26 deficiencies within 60 days after the initial submission and

1 the revised submission must be reviewed and approved or denied
2 with cause within 60 days. For the purposes of this paragraph,
3 "with cause" means that the approval of the submission would
4 jeopardize the integrity of gaming. In the event the Board
5 staff has not acted within the timeframe, the submission shall
6 be deemed approved.

7 (c) The Board shall have jurisdiction over and shall
8 supervise all gambling operations governed by this Act. The
9 Board shall have all powers necessary and proper to fully and
10 effectively execute the provisions of this Act, including, but
11 not limited to, the following:

12 (1) To investigate applicants and determine the
13 eligibility of applicants for licenses and to select among
14 competing applicants the applicants which best serve the
15 interests of the citizens of Illinois.

16 (2) To have jurisdiction and supervision over all
17 ~~riverboat~~ gambling operations authorized under this Act in
18 ~~this State~~ and all persons in places ~~on riverboats~~ where
19 gambling operations are conducted.

20 (3) To promulgate rules and regulations for the purpose
21 of administering the provisions of this Act and to
22 prescribe rules, regulations and conditions under which
23 all ~~riverboat~~ gambling operations subject to this Act in
24 ~~the State~~ shall be conducted. Such rules and regulations
25 are to provide for the prevention of practices detrimental
26 to the public interest and for the best interests of

1 ~~riverboat~~ gambling, including rules and regulations
2 regarding the inspection of electronic gaming facilities,
3 casinos, and ~~such~~ riverboats and the review of any permits
4 or licenses necessary to operate a riverboat, casino, or
5 electronic gaming facilities under any laws or regulations
6 applicable to riverboats, casinos, or electronic gaming
7 facilities and to impose penalties for violations thereof.

8 (4) To enter the office, riverboats, casinos,
9 electronic gaming facilities, and other facilities, or
10 other places of business of a licensee, where evidence of
11 the compliance or noncompliance with the provisions of this
12 Act is likely to be found.

13 (5) To investigate alleged violations of this Act or
14 the rules of the Board and to take appropriate disciplinary
15 action against a licensee or a holder of an occupational
16 license for a violation, or institute appropriate legal
17 action for enforcement, or both.

18 (6) To adopt standards for the licensing of all persons
19 under this Act, as well as for electronic or mechanical
20 gambling games, and to establish fees for such licenses.

21 (7) To adopt appropriate standards for all electronic
22 gaming facilities, riverboats, casinos, and other
23 facilities authorized under this Act.

24 (8) To require that the records, including financial or
25 other statements of any licensee under this Act, shall be
26 kept in such manner as prescribed by the Board and that any

1 such licensee involved in the ownership or management of
2 gambling operations submit to the Board an annual balance
3 sheet and profit and loss statement, list of the
4 stockholders or other persons having a 1% or greater
5 beneficial interest in the gambling activities of each
6 licensee, and any other information the Board deems
7 necessary in order to effectively administer this Act and
8 all rules, regulations, orders and final decisions
9 promulgated under this Act.

10 (9) To conduct hearings, issue subpoenas for the
11 attendance of witnesses and subpoenas duces tecum for the
12 production of books, records and other pertinent documents
13 in accordance with the Illinois Administrative Procedure
14 Act, and to administer oaths and affirmations to the
15 witnesses, when, in the judgment of the Board, it is
16 necessary to administer or enforce this Act or the Board
17 rules.

18 (10) To prescribe a form to be used by any licensee
19 involved in the ownership or management of gambling
20 operations as an application for employment for their
21 employees.

22 (11) To revoke or suspend licenses, as the Board may
23 see fit and in compliance with applicable laws of the State
24 regarding administrative procedures, and to review
25 applications for the renewal of licenses. The Board may
26 suspend an owners license, electronic gaming license, or

1 casino operator license, without notice or hearing upon a
2 determination that the safety or health of patrons or
3 employees is jeopardized by continuing a gambling
4 operation conducted under that license ~~riverboat's~~
5 ~~operation~~. The suspension may remain in effect until the
6 Board determines that the cause for suspension has been
7 abated. The Board may revoke the owners license, electronic
8 gaming license, or casino operator license upon a
9 determination that the licensee ~~owner~~ has not made
10 satisfactory progress toward abating the hazard.

11 (12) To eject or exclude or authorize the ejection or
12 exclusion of, any person from ~~riverboat~~ gambling
13 facilities where that ~~such~~ person is in violation of this
14 Act, rules and regulations thereunder, or final orders of
15 the Board, or where such person's conduct or reputation is
16 such that his or her presence within the ~~riverboat~~ gambling
17 facilities may, in the opinion of the Board, call into
18 question the honesty and integrity of the gambling
19 operations or interfere with the orderly conduct thereof;
20 provided that the propriety of such ejection or exclusion
21 is subject to subsequent hearing by the Board.

22 (13) To require all licensees of gambling operations to
23 utilize a cashless wagering system whereby all players'
24 money is converted to tokens, electronic cards, or chips
25 which shall be used only for wagering in the gambling
26 establishment.

1 (14) (Blank).

2 (15) To suspend, revoke or restrict licenses, to
3 require the removal of a licensee or an employee of a
4 licensee for a violation of this Act or a Board rule or for
5 engaging in a fraudulent practice, and to impose civil
6 penalties of up to \$5,000 against individuals and up to
7 \$10,000 or an amount equal to the daily gross receipts,
8 whichever is larger, against licensees for each violation
9 of any provision of the Act, any rules adopted by the
10 Board, any order of the Board or any other action which, in
11 the Board's discretion, is a detriment or impediment to
12 ~~riverboat~~ gambling operations.

13 (16) To hire employees to gather information, conduct
14 investigations and carry out any other tasks contemplated
15 under this Act.

16 (17) To establish minimum levels of insurance to be
17 maintained by licensees.

18 (18) To authorize a licensee to sell or serve alcoholic
19 liquors, wine or beer as defined in the Liquor Control Act
20 of 1934 on board a riverboat or in a casino and to have
21 exclusive authority to establish the hours for sale and
22 consumption of alcoholic liquor on board a riverboat or in
23 a casino, notwithstanding any provision of the Liquor
24 Control Act of 1934 or any local ordinance, and regardless
25 of whether the riverboat makes excursions. The
26 establishment of the hours for sale and consumption of

1 alcoholic liquor on board a riverboat or in a casino is an
2 exclusive power and function of the State. A home rule unit
3 may not establish the hours for sale and consumption of
4 alcoholic liquor on board a riverboat or in a casino. This
5 subdivision (18) ~~amendatory Act of 1991~~ is a denial and
6 limitation of home rule powers and functions under
7 subsection (h) of Section 6 of Article VII of the Illinois
8 Constitution.

9 (19) After consultation with the U.S. Army Corps of
10 Engineers, to establish binding emergency orders upon the
11 concurrence of a majority of the members of the Board
12 regarding the navigability of water, relative to
13 excursions, in the event of extreme weather conditions,
14 acts of God or other extreme circumstances.

15 (20) To delegate the execution of any of its powers
16 under this Act for the purpose of administering and
17 enforcing this Act and its rules and regulations hereunder.

18 (20.5) To approve any contract entered into on its
19 behalf.

20 (20.6) To appoint investigators to conduct
21 investigations, searches, seizures, arrests, and other
22 duties imposed under this Act, as deemed necessary by the
23 Board. These investigators have and may exercise all of the
24 rights and powers of peace officers, provided that these
25 powers shall be limited to offenses or violations occurring
26 or committed on a riverboat or dock, as defined in

1 subsections (d) and (f) of Section 4, or as otherwise
2 provided by this Act or any other law.

3 (20.7) To contract with the Department of State Police
4 for the use of trained and qualified State police officers
5 and with the Department of Revenue for the use of trained
6 and qualified Department of Revenue investigators to
7 conduct investigations, searches, seizures, arrests, and
8 other duties imposed under this Act and to exercise all of
9 the rights and powers of peace officers, provided that the
10 powers of Department of Revenue investigators under this
11 subdivision (20.7) shall be limited to offenses or
12 violations occurring or committed on a riverboat or dock,
13 as defined in subsections (d) and (f) of Section 4, or as
14 otherwise provided by this Act or any other law. In the
15 event the Department of State Police or the Department of
16 Revenue is unable to fill contracted police or
17 investigative positions, the Board may appoint
18 investigators to fill those positions pursuant to
19 subdivision (20.6).

20 (21) To make rules concerning the conduct of electronic
21 gaming.

22 (22) ~~(21)~~ To take any other action as may be reasonable
23 or appropriate to enforce this Act and rules and
24 regulations hereunder.

25 (d) The Board may seek and shall receive the cooperation of
26 the Department of State Police in conducting background

1 investigations of applicants and in fulfilling its
2 responsibilities under this Section. Costs incurred by the
3 Department of State Police as a result of such cooperation
4 shall be paid by the Board in conformance with the requirements
5 of Section 2605-400 of the Department of State Police Law (20
6 ILCS 2605/2605-400).

7 (e) The Board must authorize to each investigator and to
8 any other employee of the Board exercising the powers of a
9 peace officer a distinct badge that, on its face, (i) clearly
10 states that the badge is authorized by the Board and (ii)
11 contains a unique identifying number. No other badge shall be
12 authorized by the Board.

13 (Source: P.A. 96-34, eff. 7-13-09; 96-37, eff. 7-13-09;
14 96-1000, eff. 7-2-10; 96-1392, eff. 1-1-11.)

15 (230 ILCS 10/5.1) (from Ch. 120, par. 2405.1)

16 Sec. 5.1. Disclosure of records.

17 (a) Notwithstanding any applicable statutory provision to
18 the contrary, the Board shall, on written request from any
19 person, provide information furnished by an applicant or
20 licensee concerning the applicant or licensee, his products,
21 services or gambling enterprises and his business holdings, as
22 follows:

23 (1) The name, business address and business telephone
24 number of any applicant or licensee.

25 (2) An identification of any applicant or licensee

1 including, if an applicant or licensee is not an
2 individual, the state of incorporation or registration,
3 the corporate officers, and the identity of all
4 shareholders or participants. If an applicant or licensee
5 has a pending registration statement filed with the
6 Securities and Exchange Commission, only the names of those
7 persons or entities holding interest of 5% or more must be
8 provided.

9 (3) An identification of any business, including, if
10 applicable, the state of incorporation or registration, in
11 which an applicant or licensee or an applicant's or
12 licensee's spouse or children has an equity interest of
13 more than 1%. If an applicant or licensee is a corporation,
14 partnership or other business entity, the applicant or
15 licensee shall identify any other corporation, partnership
16 or business entity in which it has an equity interest of 1%
17 or more, including, if applicable, the state of
18 incorporation or registration. This information need not
19 be provided by a corporation, partnership or other business
20 entity that has a pending registration statement filed with
21 the Securities and Exchange Commission.

22 (4) Whether an applicant or licensee has been indicted,
23 convicted, pleaded guilty or nolo contendere, or forfeited
24 bail concerning any criminal offense under the laws of any
25 jurisdiction, either felony or misdemeanor (except for
26 traffic violations), including the date, the name and

1 location of the court, arresting agency and prosecuting
2 agency, the case number, the offense, the disposition and
3 the location and length of incarceration.

4 (5) Whether an applicant or licensee has had any
5 license or certificate issued by a licensing authority in
6 Illinois or any other jurisdiction denied, restricted,
7 suspended, revoked or not renewed and a statement
8 describing the facts and circumstances concerning the
9 denial, restriction, suspension, revocation or
10 non-renewal, including the licensing authority, the date
11 each such action was taken, and the reason for each such
12 action.

13 (6) Whether an applicant or licensee has ever filed or
14 had filed against it a proceeding in bankruptcy or has ever
15 been involved in any formal process to adjust, defer,
16 suspend or otherwise work out the payment of any debt
17 including the date of filing, the name and location of the
18 court, the case and number of the disposition.

19 (7) Whether an applicant or licensee has filed, or been
20 served with a complaint or other notice filed with any
21 public body, regarding the delinquency in the payment of,
22 or a dispute over the filings concerning the payment of,
23 any tax required under federal, State or local law,
24 including the amount, type of tax, the taxing agency and
25 time periods involved.

26 (8) A statement listing the names and titles of all

1 public officials or officers of any unit of government, and
2 relatives of said public officials or officers who,
3 directly or indirectly, own any financial interest in, have
4 any beneficial interest in, are the creditors of or hold
5 any debt instrument issued by, or hold or have any interest
6 in any contractual or service relationship with, an
7 applicant or licensee.

8 (9) Whether an applicant or licensee has made, directly
9 or indirectly, any political contribution, or any loans,
10 donations or other payments, to any candidate or office
11 holder, within 5 years from the date of filing the
12 application, including the amount and the method of
13 payment.

14 (10) The name and business telephone number of the
15 counsel representing an applicant or licensee in matters
16 before the Board.

17 (11) A description of any proposed or approved
18 riverboat or casino gaming or electronic gaming operation,
19 including the type of boat, home dock or casino or
20 electronic gaming location, expected economic benefit to
21 the community, anticipated or actual number of employees,
22 any statement from an applicant or licensee regarding
23 compliance with federal and State affirmative action
24 guidelines, projected or actual admissions and projected
25 or actual adjusted gross gaming receipts.

26 (12) A description of the product or service to be

1 supplied by an applicant for a supplier's license.

2 (b) Notwithstanding any applicable statutory provision to
3 the contrary, the Board shall, on written request from any
4 person, also provide the following information:

5 (1) The amount of the wagering tax and admission tax
6 paid daily to the State of Illinois by the holder of an
7 owner's license.

8 (2) Whenever the Board finds an applicant for an
9 owner's license unsuitable for licensing, a copy of the
10 written letter outlining the reasons for the denial.

11 (3) Whenever the Board has refused to grant leave for
12 an applicant to withdraw his application, a copy of the
13 letter outlining the reasons for the refusal.

14 (c) Subject to the above provisions, the Board shall not
15 disclose any information which would be barred by:

16 (1) Section 7 of the Freedom of Information Act; or

17 (2) The statutes, rules, regulations or
18 intergovernmental agreements of any jurisdiction.

19 (d) The Board may assess fees for the copying of
20 information in accordance with Section 6 of the Freedom of
21 Information Act.

22 (Source: P.A. 96-1392, eff. 1-1-11.)

23 (230 ILCS 10/5.3 new)

24 Sec. 5.3. Ethical conduct.

25 (a) Officials of the corporate authority of a host

1 community must carry out their duties and responsibilities in
2 such a manner as to promote and preserve public trust and
3 confidence in the integrity and conduct of gaming.

4 (b) Officials of the corporate authority of a host
5 community shall not use or attempt to use his or her official
6 position to secure or attempt to secure any privilege,
7 advantage, favor, or influence for himself or herself or
8 others.

9 (c) Officials of the corporate authority of a host
10 community may not have a financial interest, directly or
11 indirectly, in his or her own name or in the name of any other
12 person, partnership, association, trust, corporation, or other
13 entity in any contract or subcontract for the performance of
14 any work for a riverboat or casino that is located in the host
15 community. This prohibition shall extend to the holding or
16 acquisition of an interest in any entity identified by Board
17 action that, in the Board's judgment, could represent the
18 potential for or the appearance of a financial interest. The
19 holding or acquisition of an interest in such entities through
20 an indirect means, such as through a mutual fund, shall not be
21 prohibited, except that the Board may identify specific
22 investments or funds that, in its judgment, are so influenced
23 by gaming holdings as to represent the potential for or the
24 appearance of a conflict of interest.

25 (d) Officials of the corporate authority of a host
26 community may not accept any gift, gratuity, service,

1 compensation, travel, lodging, or thing of value, with the
2 exception of unsolicited items of an incidental nature, from
3 any person, corporation, or entity doing business with the
4 riverboat or casino that is located in the host community.

5 (e) Officials of the corporate authority of a host
6 community shall not, during the period that the person is an
7 official of the corporate authority or for a period of 2 years
8 immediately after leaving such office, knowingly accept
9 employment or receive compensation or fees for services from a
10 person or entity, or its parent or affiliate, that has engaged
11 in business with the riverboat or casino that is located in the
12 host community that resulted in contracts with an aggregate
13 value of at least \$25,000 or if that official has made a
14 decision that directly applied to the person or entity, or its
15 parent or affiliate.

16 (f) A spouse, child, or parent of an official of the
17 corporate authority of a host community may not have a
18 financial interest, directly or indirectly, in his or her own
19 name or in the name of any other person, partnership,
20 association, trust, corporation, or other entity in any
21 contract or subcontract for the performance of any work for
22 riverboat or casino in the host community. This prohibition
23 shall extend to the holding or acquisition of an interest in
24 any entity identified by Board action that, in the judgment of
25 the Board, could represent the potential for or the appearance
26 of a conflict of interest. The holding or acquisition of an

1 interest in such entities through an indirect means, such as
2 through a mutual fund, shall not be prohibited, except that the
3 Board may identify specific investments or funds that, in its
4 judgment, are so influenced by gaming holdings as to represent
5 the potential for or the appearance of a conflict of interest.

6 (g) A spouse, child, or parent of an official of the
7 corporate authority of a host community may not accept any
8 gift, gratuity, service, compensation, travel, lodging, or
9 thing of value, with the exception of unsolicited items of an
10 incidental nature, from any person, corporation, or entity
11 doing business with the riverboat or casino that is located in
12 the host community.

13 (h) A spouse, child, or parent of an official of the
14 corporate authority of a host community may not, during the
15 period that the person is an official of the corporate
16 authority or for a period of 2 years immediately after leaving
17 such office, knowingly accept employment or receive
18 compensation or fees for services from a person or entity, or
19 its parent or affiliate, that has engaged in business with the
20 riverboat or casino that is located in the host community that
21 resulted in contracts with an aggregate value of at least
22 \$25,000 or if that official has made a decision that directly
23 applied to the person or entity, or its parent or affiliate.

24 (i) Officials of the corporate authority of a host
25 community shall not attempt, in any way, to influence any
26 person or corporation doing business with the riverboat or

1 casino that is located in the host community or any officer,
2 agent, or employee thereof to hire or contract with any person
3 or corporation for any compensated work.

4 (j) Any communication between an official of the corporate
5 authority of a host community and any applicant for an owners
6 license in the host community, or an officer, director, or
7 employee of a riverboat or casino in the host community,
8 concerning any manner relating in any way to gaming shall be
9 disclosed to the Board. Such disclosure shall be in writing by
10 the official within 30 days after the communication and shall
11 be filed with the Board. Disclosure must consist of the date of
12 the communication, the identity and job title of the person
13 with whom the communication was made, a brief summary of the
14 communication, the action requested or recommended, all
15 responses made, the identity and job title of the person making
16 the response, and any other pertinent information. Public
17 disclosure of the written summary provided to the Board and the
18 Gaming Board shall be subject to the exemptions provided under
19 the Freedom of Information Act.

20 (k) Any official who violates any provision of this Section
21 is guilty of a Class 4 felony.

22 (l) For purposes of this Section, "host community" or "host
23 municipality" means a unit of local government that contains a
24 riverboat or casino within its borders.

1 Sec. 6. Application for Owners License.

2 (a) A qualified person may apply to the Board for an owners
3 license to conduct a riverboat gambling operation as provided
4 in this Act. The application shall be made on forms provided by
5 the Board and shall contain such information as the Board
6 prescribes, including but not limited to the identity of the
7 riverboat on which such gambling operation is to be conducted,
8 if applicable, and the exact location where such riverboat or
9 casino will be located ~~docked~~, a certification that the
10 riverboat will be registered under this Act at all times during
11 which gambling operations are conducted on board, detailed
12 information regarding the ownership and management of the
13 applicant, and detailed personal information regarding the
14 applicant. Any application for an owners license to be
15 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 (a-5) In addition to any other information required under
23 this Section, each application for an owners license must
24 include the following information:

25 (1) The history and success of the applicant and each
26 person and entity disclosed under subsection (c) of this

1 Section in developing tourism facilities ancillary to
2 gaming, if applicable.

3 (2) The likelihood that granting a license to the
4 applicant will lead to the creation of quality, living wage
5 jobs and permanent, full-time jobs for residents of the
6 State and residents of the unit of local government that is
7 designated as the home dock of the proposed facility where
8 gambling is to be conducted by the applicant.

9 (3) The projected number of jobs that would be created
10 if the license is granted and the projected number of new
11 employees at the proposed facility where gambling is to be
12 conducted by the applicant.

13 (4) The record of the applicant and its developer in
14 meeting commitments to local agencies, community-based
15 organizations, and employees at other locations where the
16 applicant or its developer has performed similar functions
17 as they would perform if the applicant were granted a
18 license.

19 (5) Identification of adverse effects that might be
20 caused by the proposed facility where gambling is to be
21 conducted by the applicant, including the costs of meeting
22 increased demand for public health care, child care, public
23 transportation, affordable housing, and social services,
24 and a plan to mitigate those adverse effects.

25 (6) The record of the applicant and its developer
26 regarding compliance with:

1 (A) federal, state, and local discrimination, wage
2 and hour, disability, and occupational and
3 environmental health and safety laws; and

4 (B) state and local labor relations and employment
5 laws.

6 (7) The applicant's record in dealing with its
7 employees and their representatives at other locations.

8 (8) A plan concerning the utilization of minority
9 person-owned and female-owned businesses and concerning
10 the hiring of minorities and females.

11 (9) Evidence the applicant used its best efforts to
12 reach a goal of 25% ownership representation by minority
13 persons and 5% ownership representation by females.

14 (b) Applicants shall submit with their application all
15 documents, resolutions, and letters of support from the
16 governing body that represents the municipality or county
17 wherein the licensee will be located ~~dock~~.

18 (c) Each applicant shall disclose the identity of every
19 person, association, trust or corporation having a greater than
20 1% direct or indirect pecuniary interest in the ~~riverboat~~
21 gambling operation with respect to which the license is sought.
22 If the disclosed entity is a trust, the application shall
23 disclose the names and addresses of the beneficiaries; if a
24 corporation, the names and addresses of all stockholders and
25 directors; if a partnership, the names and addresses of all
26 partners, both general and limited.

1 (d) An application shall be filed and considered in
2 accordance with the rules of the Board. An application fee of
3 \$50,000 shall be paid at the time of filing to defray the costs
4 associated with the background investigation conducted by the
5 Board. If the costs of the investigation exceed \$50,000, the
6 applicant shall pay the additional amount to the Board. If the
7 costs of the investigation are less than \$50,000, the applicant
8 shall receive a refund of the remaining amount. All
9 information, records, interviews, reports, statements,
10 memoranda or other data supplied to or used by the Board in the
11 course of its review or investigation of an application for a
12 license or a renewal under this Act shall be privileged,
13 strictly confidential and shall be used only for the purpose of
14 evaluating an applicant for a license or a renewal. Such
15 information, records, interviews, reports, statements,
16 memoranda or other data shall not be admissible as evidence,
17 nor discoverable in any action of any kind in any court or
18 before any tribunal, board, agency or person, except for any
19 action deemed necessary by the Board.

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

25 (f) The licensed owner shall be the person primarily
26 responsible for the boat or casino itself. Only one ~~riverboat~~

1 gambling operation may be authorized by the Board on any
2 riverboat or in any casino. The applicant must identify the
3 ~~each~~ riverboat or premises it intends to use and certify that
4 the riverboat or premises: (1) has the authorized capacity
5 required in this Act; (2) is accessible to disabled persons;
6 and (3) is fully registered and licensed in accordance with any
7 applicable laws.

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

10 (Source: P.A. 96-1392, eff. 1-1-11.)

11 (230 ILCS 10/7) (from Ch. 120, par. 2407)

12 Sec. 7. Owners Licenses.

13 (a) The Board shall issue owners licenses to persons, firms
14 or corporations which apply for such licenses upon payment to
15 the Board of the non-refundable license fee set by the Board,
16 upon payment of a \$25,000 license fee for the first year of
17 operation and a \$5,000 license fee for each succeeding year and
18 upon a determination by the Board that the applicant is
19 eligible for an owners license pursuant to this Act and the
20 rules of the Board. A single person, firm, corporation, or
21 licensed owner shall be permitted to hold at least 5 owners
22 licenses, casino operator licenses, or electronic gaming
23 licenses, or any combination thereof. From the effective date
24 of this amendatory Act of the 95th General Assembly until (i) 3
25 years after the effective date of this amendatory Act of the

1 95th General Assembly, (ii) the date any organization licensee
2 begins to operate a slot machine or video game of chance under
3 the Illinois Horse Racing Act of 1975 or this Act, (iii) the
4 date that payments begin under subsection (c-5) of Section 13
5 of the Act, ~~or~~ (iv) the wagering tax imposed under Section 13
6 of this Act is increased by law to reflect a tax rate that is at
7 least as stringent or more stringent than the tax rate
8 contained in subsection (a-3) of Section 13, or (v) when an
9 owners licensee holding a license issued pursuant to Section
10 7.1 of this Act begins conducting gaming, whichever occurs
11 first, as a condition of licensure and as an alternative source
12 of payment for those funds payable under subsection (c-5) of
13 Section 13 of this ~~the Riverboat Gambling~~ Act, any owners
14 licensee that holds or receives its owners license on or after
15 the effective date of this amendatory Act of the 94th General
16 Assembly, other than an owners licensee operating a riverboat
17 with adjusted gross receipts in calendar year 2004 of less than
18 \$200,000,000, must pay into the Horse Racing Equity Trust Fund,
19 in addition to any other payments required under this Act, an
20 amount equal to 3% of the adjusted gross receipts received by
21 the owners licensee. The payments required under this Section
22 shall be made by the owners licensee to the State Treasurer no
23 later than 3:00 o'clock p.m. of the day after the day when the
24 adjusted gross receipts were received by the owners licensee. A
25 person, firm or corporation is ineligible to receive an owners
26 license if:

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

3 (2) the person has been convicted of any violation of
4 Article 28 of the Criminal Code of 1961, or substantially
5 similar laws of any other jurisdiction;

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

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

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

12 (6) the firm or corporation employs a person defined in
13 (1), (2), (3) or (4) who participates in the management or
14 operation of gambling operations authorized under this
15 Act;

16 (7) (blank); or

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

20 The Board is expressly prohibited from making changes to
21 the requirement that licensees make payment into the Horse
22 Racing Equity Trust Fund without the express authority of the
23 Illinois General Assembly and making any other rule to
24 implement or interpret this amendatory Act of the 95th General
25 Assembly. For the purposes of this paragraph, "rules" is given
26 the meaning given to that term in Section 1-70 of the Illinois

1 Administrative Procedure Act.

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

4 (1) the character, reputation, experience and
5 financial integrity of the applicants and of any other or
6 separate person that either:

7 (A) controls, directly or indirectly, such
8 applicant, or

9 (B) is controlled, directly or indirectly, by such
10 applicant or by a person which controls, directly or
11 indirectly, such applicant;

12 (2) the facilities or proposed facilities for the
13 conduct of ~~riverboat~~ gambling;

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

16 (4) the extent to which the ownership of the applicant
17 reflects the diversity of the State by including minority
18 persons, females, and persons with a disability and the
19 good faith affirmative action plan of each applicant to
20 recruit, train and upgrade minority persons, females, and
21 persons with a disability in all employment
22 classifications;

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

25 (6) whether the applicant has adequate capitalization
26 to provide and maintain, for the duration of a license, a

1 riverboat or casino;

2 (7) the extent to which the applicant exceeds or meets
3 other standards for the issuance of an owners license which
4 the Board may adopt by rule; ~~and~~

5 (8) ~~the~~ The amount of the applicant's license bid;~~;~~

6 (9) the extent to which the applicant or the proposed
7 host municipality plans to enter into revenue sharing
8 agreements with communities other than the host
9 municipality and the terms of those agreements; and

10 (10) the extent to which the ownership of an applicant
11 includes the most qualified number of minority persons,
12 females, and persons with a disability.

13 (c) Each owners license shall specify the place where the
14 casino ~~riverboats~~ shall operate or the riverboat shall operate
15 and dock.

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

18 (e) In addition to any licenses authorized under subsection
19 (e-5) of this Section, the ~~The~~ Board may issue up to 10
20 licenses authorizing the holders of such licenses to own
21 riverboats. In the application for an owners license, the
22 applicant shall state the dock at which the riverboat is based
23 and the water on which the riverboat will be located. The Board
24 shall issue 5 licenses to become effective not earlier than
25 January 1, 1991. Three of such licenses shall authorize
26 riverboat gambling on the Mississippi River, or, with approval

1 by the municipality in which the riverboat was docked on August
2 7, 2003 and with Board approval, be authorized to relocate to a
3 new location, in a municipality that (1) borders on the
4 Mississippi River or is within 5 miles of the city limits of a
5 municipality that borders on the Mississippi River and (2), on
6 August 7, 2003, had a riverboat conducting riverboat gambling
7 operations pursuant to a license issued under this Act; one of
8 which shall authorize riverboat gambling from a home dock in
9 the city of East St. Louis. One other license shall authorize
10 riverboat gambling on the Illinois River in Tazewell County or,
11 with approval by a municipality in which such riverboat was
12 docked on January 1, 2010 and with Board approval, shall
13 authorize the riverboat to relocate to a new location that is
14 no more than 10 miles away from its original location, in a
15 municipality that (1) borders on the Illinois River or is
16 within 5 miles of the city limits of a municipality that
17 borders on the Illinois River and (2) on January 1, 2010, had a
18 riverboat conducting riverboat gambling operations pursuant to
19 a license issued under this Act ~~south of Marshall County~~. The
20 Board shall issue one additional license to become effective
21 not earlier than March 1, 1992, which shall authorize riverboat
22 gambling on the Des Plaines River in Will County. The Board may
23 issue 4 additional licenses to become effective not earlier
24 than March 1, 1992. In determining the water upon which
25 riverboats will operate, the Board shall consider the economic
26 benefit which riverboat gambling confers on the State, and

1 shall seek to assure that all regions of the State share in the
2 economic benefits of riverboat gambling.

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

16 (e-5) In addition to licenses authorized under subsection
17 (e) of this Section, the Board may issue the following
18 licenses:

19 (1) One owners license authorizing the conduct of
20 casino gambling in the City of Chicago.

21 (2) One owners license authorizing the conduct of
22 riverboat gambling in the City of Danville.

23 (3) One owners license authorizing the conduct of
24 riverboat gambling located in the City of Park City.

25 (4) One owners license authorizing the conduct of
26 riverboat gambling in the City of Rockford.

1 (5) One owners license authorizing the conduct of
2 riverboat gambling in a municipality that is located in one
3 of the following townships of Cook County: Bloom, Bremen,
4 Calumet, Rich, Thornton, or Worth Township.

5 (e-6) The Board shall consider issuing a license pursuant
6 to subsection (e-5) only after the corporate authority of the
7 municipality in which the casino or riverboat shall be located
8 has certified to the Board the following:

9 (1) that the applicant has negotiated with the
10 corporate authority in good faith;

11 (2) that the applicant and the corporate authority have
12 mutually agreed on the permanent location of the casino or
13 riverboat;

14 (3) that the applicant and the corporate authority have
15 mutually agreed on the temporary location of the casino or
16 riverboat;

17 (4) that the applicant and the corporate authority have
18 mutually agreed on the percentage of revenues that will be
19 shared with the municipality, if any; and

20 (5) that the applicant and the corporate authority have
21 mutually agreed on any zoning, licensing, public health, or
22 other issues that are within the jurisdiction of the
23 municipality.

24 At least 7 days before the corporate authority of a
25 municipality submits a certification to the Board concerning
26 items (1) through (6) of this subsection, it shall hold a

1 public hearing to discuss items (1) through (6), as well as any
2 other details concerning the proposed riverboat or casino in
3 the municipality. The corporate authority must subsequently
4 memorialize the details concerning the proposed riverboat or
5 casino in a resolution that must be adopted by a majority of
6 the corporate authority before any certification is sent to the
7 Board. The Board shall not alter, amend, change, or otherwise
8 interfere with any agreement between the applicant and the
9 corporate authority of the municipality regarding the location
10 of any temporary or permanent facility.

11 (e-10) The licenses authorized under subsection (e-5) of
12 this Section shall be issued within 12 months after the
13 effective date of this amendatory Act of the 97th General
14 Assembly. The fee for the issuance or renewal of a license
15 issued pursuant to this subsection (e-10) shall be \$100,000.
16 Additionally, a licensee located outside of Cook County shall
17 pay an initial fee of \$12,500 per gaming position, and a
18 licensee located in Cook County shall pay \$25,000 per gaming
19 position. The initial fees payable under this subsection (e-10)
20 shall be deposited into the Gaming Facilities Fee Revenue Fund.

21 (e-15) Each licensee of a license authorized under
22 subsection (e-5) of this Section shall make a reconciliation
23 payment 4 years after the date the licensee begins operating in
24 an amount equal to 75% of the adjusted gross receipts for the
25 most lucrative 12-month period of operations, minus an amount
26 equal to the initial \$12,500 or \$25,000 initial payment per

1 gaming position, whichever was the initial amount paid by the
2 specific licensee. If this calculation results in a negative
3 amount, then the licensee is not entitled to any reimbursement
4 of fees previously paid. This reconciliation payment may be
5 made in installments over a period of no more than 5 years,
6 subject to Board approval. Any installment payments shall
7 include an annual market interest rate as determined by the
8 Board. All payments by licensees under this subsection (e-15)
9 shall be deposited into the Gaming Facilities Fee Revenue Fund.

10 (e-20) In addition to any other revocation powers granted
11 to the Board under this Act, the Board may revoke the owners
12 license of a licensee which fails to begin conducting gambling
13 within 15 months of receipt of the Board's approval of the
14 application if the Board determines that license revocation is
15 in the best interests of the State.

16 (e-25) The provisions of this subsection (e-25) apply only
17 to an owners licensee of a license issued or re-issued pursuant
18 to Section 7.1 of this Act and if the owners licensee was found
19 preliminarily suitable or suitable by the Board prior to the
20 effective date of this amendatory Act of the 97th General
21 Assembly. The owners licensee shall pay (i) a \$100,000 fee for
22 the issuance or renewal of its license and (ii) an initial fee
23 of \$25,000 per gaming position in place of, and not in addition
24 to, the initial fee required under subsection (h) of this
25 Section. Additionally, the owners licensee shall make a
26 reconciliation payment on July 1, 2016 in an amount equal to

1 75% of the average annual adjusted gross receipts, minus an
2 amount equal to the \$25,000 initial payment per gaming
3 position. If this calculation results in a negative amount,
4 then the owners licensee is not entitled to any reimbursement
5 of fees previously paid. This reconciliation payment may be
6 made in installments over a period of no more than 5 years,
7 subject to Board approval. Any installment payments shall
8 include an annual market interest rate as determined by the
9 Board. All payments by licensees under this subsection (e-25)
10 shall be deposited into the Gaming Facilities Fee Revenue Fund.
11 For any payments required under this Section 7, the owners
12 licensee shall receive (i) a credit for any amounts that the
13 owners licensee has paid to the State or the Board or their
14 agents prior to November 1, 2010 for consultants, licensing
15 fees, up-front fees, or other items and (ii) a credit for the
16 payments that the unit of local government has pledged to remit
17 to the State, which shall be equal to the present value of such
18 payments as determined by the Board in its decision dated
19 January 14, 2009. An owners licensee subject to this subsection
20 (e-25) shall only pay the initial fees required pursuant to
21 this subsection and shall not have to pay any initial fees or
22 payments that were ordered by the Board prior to November 1,
23 2010. However, any payments that have been made by an owners
24 licensee subject to this subsection (e-25) to the State or to
25 the Board or their agents shall remain with the State and the
26 owners licensee shall receive a credit as specified in this

1 subsection (e-25).

2 In the event the owners licensee has made payments on or
3 after November 1, 2010 but prior to the effective date of this
4 amendatory Act of the 97th General Assembly to the State or the
5 Board or their agents towards the amount it bid during the
6 selection process to receive its owners license, then such
7 payments shall be refunded to the owners licensee. The refund
8 shall be in the form of a credit, which shall offset taxes due
9 under Section 12 and Section 13 in the amount of such prior
10 payments to the State or the Board or their agents as such
11 taxes under Section 12 and Section 13 become due, and which
12 credit shall be in addition to any other credit granted in this
13 subsection (e-25) and elsewhere in the Illinois Gambling Act.
14 If any credit granted in this subsection (e-25) is not fully
15 utilized in any given year, then the remainder shall be carried
16 forward to subsequent years until such credit has been fully
17 utilized. Consistent with the provisions contained in this
18 subsection (e-25), the owners licensee shall be treated as
19 having paid the amount of taxes due under Sections 12 and 13
20 without reduction for the credit granted in this subsection
21 (e-25), and the amount of such credit shall be considered a
22 refund of the owners licensee bid amount as such credit is
23 utilized.

24 (f) The first 10 owners licenses issued under this Act
25 shall permit the holder to own up to 2 riverboats and equipment
26 thereon for a period of 3 years after the effective date of the

1 license. Holders of the first 10 owners licenses must pay the
2 annual license fee for each of the 3 years during which they
3 are authorized to own riverboats.

4 (g) Upon the termination, expiration, or revocation of each
5 of the first 10 licenses, which shall be issued for a 3 year
6 period, all licenses are renewable annually upon payment of the
7 fee and a determination by the Board that the licensee
8 continues to meet all of the requirements of this Act and the
9 Board's rules. However, for licenses renewed on or after May 1,
10 1998, renewal shall be for a period of 4 years, unless the
11 Board sets a shorter period. Notwithstanding any provision in
12 this subsection (g) to the contrary, any license that is
13 awarded to the Chicago Casino Development Authority shall not
14 expire, but it shall be subject to the provisions of this Act
15 and the rules of the Board.

16 (h) An owners license, except for an owners license issued
17 under subsection (e-5) of this Section, shall entitle the
18 licensee to own up to 2 riverboats.

19 An owners licensee of a casino or riverboat that is located
20 in the City of Chicago pursuant to subsection (e-5) of this
21 Section shall limit the number of gaming positions to 4,000 for
22 such owners. All other licensees ~~A licensee~~ shall limit the
23 number of ~~gaming positions~~ ~~gambling participants~~ to 1,600 ~~1,200~~
24 for any such owners license prior to January 1, 2013 and 2,000
25 gaming positions on or after January 1, 2013. The initial fee
26 for each gaming position obtained on or after the effective

1 date of this amendatory Act of the 97th General Assembly shall
2 be \$12,500 for licensees not located in Cook County and \$25,000
3 for licensees located in Cook County, in addition to the
4 reconciliation payment, as set forth in subsections (e-15),
5 (e-25), or (h-5) of this Section.

6 A licensee may operate both of its riverboats concurrently,
7 provided that the total number of gaming positions ~~gambling~~
8 ~~participants~~ on both riverboats does not exceed 1,600 prior to
9 January 1, 2013 and 2,000 on or after January 1, 2013 ~~1,200~~.
10 Riverboats licensed to operate on the Mississippi River and the
11 Illinois River south of Marshall County shall have an
12 authorized capacity of at least 500 persons. Any other
13 riverboat licensed under this Act shall have an authorized
14 capacity of at least 400 persons.

15 (h-5) An owners licensee who conducted gambling operations
16 prior to January 1, 2011 and purchases positions under
17 subsection (h) of this Section on or after the effective date
18 of this amendatory Act of the 97th General Assembly must pay an
19 initial fee of \$12,500 per gaming position if the licensee is
20 located outside Cook County and an initial fee of \$25,000 per
21 gaming position if the licensee is located in Cook County, as
22 stated in subsection (h) of this Section. These initial fees
23 shall be deposited into the Gaming Facilities Fee Revenue Fund.
24 Additionally, that owners licensee shall make a reconciliation
25 payment 4 years after any additional gaming positions
26 authorized by subsection (h) begin operating in an amount equal

1 to 75% of the owners licensee's average gross receipts for the
2 most lucrative 12-month period of operations minus an amount
3 equal to \$12,500 or \$25,000 that the owners licensee paid per
4 additional gaming position. For purposes of this subsection
5 (h-5), "average gross receipts" means (i) the increase in
6 adjusted gross receipts for the most lucrative 12-month period
7 of operations over the adjusted gross receipts for 2011,
8 multiplied by (ii) the percentage derived by dividing the
9 number of additional gaming positions that an owners licensee
10 had purchased pursuant to subsection (h) by the total number of
11 gaming positions operated by the owners licensee. If this
12 calculation results in a negative amount, then the owners
13 licensee is not entitled to any reimbursement of fees
14 previously paid. This reconciliation payment may be made in
15 installments over a period of no more than 5 years, subject to
16 Board approval. Any installment payments shall include an
17 annual market interest rate as determined by the Board. These
18 reconciliation payments shall be deposited into the Gaming
19 Facilities Fee Revenue Fund.

20 (h-10) Any positions that are not purchased by a licensed
21 owner as of January 1, 2016 shall be forfeited and retained by
22 the Board and shall be offered in equal amounts to licensed
23 owners who have purchased all of the positions that were
24 offered. This process shall continue until all positions have
25 been purchased. All positions obtained pursuant to this process
26 must be in operation within 18 months after they were obtained

1 or the licensed owner forfeits the right to operate all of the
2 positions, but is not entitled to a refund of any fees paid.

3 The Board may, after holding a public hearing, grant
4 extensions so long as a licensed owner is working in good faith
5 to make the positions operational. The extension may be for a
6 period of 6 months. If, after the period of the extension, a
7 licensed owner has not made the positions operational, then
8 another public hearing must be held by the Board before it may
9 grant another extension.

10 (i) A licensed owner is authorized to apply to the Board
11 for and, if approved therefor, to receive all licenses from the
12 Board necessary for the operation of a riverboat or a casino,
13 including a liquor license, a license to prepare and serve food
14 for human consumption, and other necessary licenses. All use,
15 occupation and excise taxes which apply to the sale of food and
16 beverages in this State and all taxes imposed on the sale or
17 use of tangible personal property apply to such sales aboard
18 the riverboat or in the casino.

19 (j) The Board may issue or re-issue a license authorizing a
20 riverboat to dock in a municipality or approve a relocation
21 under Section 11.2 only if, prior to the issuance or
22 re-issuance of the license or approval, the governing body of
23 the municipality in which the riverboat will dock has by a
24 majority vote approved the docking of riverboats in the
25 municipality. The Board may issue or re-issue a license
26 authorizing a riverboat to dock in areas of a county outside

1 any municipality or approve a relocation under Section 11.2
2 only if, prior to the issuance or re-issuance of the license or
3 approval, the governing body of the county has by a majority
4 vote approved of the docking of riverboats within such areas.

5 (k) An owners licensee may conduct land-based gambling
6 operations upon approval by the Board.

7 (l) An owners licensee may conduct gaming at a temporary
8 facility pending the construction of a permanent facility or
9 the remodeling or relocation of an existing facility to
10 accommodate gaming participants for up to 24 months after the
11 temporary facility begins to conduct gaming. Upon request by an
12 owners licensee and upon a showing of good cause by the owners
13 licensee, the Board shall extend the period during which the
14 licensee may conduct gaming at a temporary facility by up to 12
15 months. The Board shall make rules concerning the conduct of
16 gaming from temporary facilities.

17 (Source: P.A. 95-1008, eff. 12-15-08; 96-1392, eff. 1-1-11.)

18 (230 ILCS 10/7.3)

19 Sec. 7.3. State conduct of gambling operations.

20 (a) If, after reviewing each application for a re-issued
21 license, the Board determines that the highest prospective
22 total revenue to the State would be derived from State conduct
23 of the gambling operation in lieu of re-issuing the license,
24 the Board shall inform each applicant of its decision. The
25 Board shall thereafter have the authority, without obtaining an

1 owners license, to conduct riverboat gambling operations as
2 previously authorized by the terminated, expired, revoked, or
3 nonrenewed license through a licensed manager selected
4 pursuant to an open and competitive bidding process as set
5 forth in Section 7.5 and as provided in Section 7.4.

6 (b) The Board may locate any riverboat on which a gambling
7 operation is conducted by the State in any home dock location
8 authorized by Section 3(c) upon receipt of approval from a
9 majority vote of the governing body of the municipality or
10 county, as the case may be, in which the riverboat will dock.

11 (c) The Board shall have jurisdiction over and shall
12 supervise all gambling operations conducted by the State
13 provided for in this Act and shall have all powers necessary
14 and proper to fully and effectively execute the provisions of
15 this Act relating to gambling operations conducted by the
16 State.

17 (d) The maximum number of owners licenses authorized under
18 Section 7 ~~7(e)~~ shall be reduced by one for each instance in
19 which the Board authorizes the State to conduct a riverboat
20 gambling operation under subsection (a) in lieu of re-issuing a
21 license to an applicant under Section 7.1.

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

23 (230 ILCS 10/7.5)

24 Sec. 7.5. Competitive Bidding. When the Board determines
25 that it will re-issue an owners license pursuant to an open and

1 competitive bidding process, as set forth in Section 7.1, or
2 that it will issue a managers license pursuant to an open and
3 competitive bidding process, as set forth in Section 7.4, or
4 that it will issue an owners license pursuant to an open and
5 competitive bidding process, as set forth in Section 7.11, the
6 open and competitive bidding process shall adhere to the
7 following procedures:

8 (1) The Board shall make applications for owners and
9 managers licenses available to the public and allow a
10 reasonable time for applicants to submit applications to the
11 Board.

12 (2) During the filing period for owners or managers license
13 applications, the Board may retain the services of an
14 investment banking firm to assist the Board in conducting the
15 open and competitive bidding process.

16 (3) After receiving all of the bid proposals, the Board
17 shall open all of the proposals in a public forum and disclose
18 the prospective owners or managers names, venture partners, if
19 any, and, in the case of applicants for owners licenses, the
20 locations of the proposed development sites.

21 (4) The Board shall summarize the terms of the proposals
22 and may make this summary available to the public.

23 (5) The Board shall evaluate the proposals within a
24 reasonable time and select no more than 3 final applicants to
25 make presentations of their proposals to the Board.

26 (6) The final applicants shall make their presentations to

1 the Board on the same day during an open session of the Board.

2 (7) As soon as practicable after the public presentations
3 by the final applicants, the Board, in its discretion, may
4 conduct further negotiations among the 3 final applicants.
5 During such negotiations, each final applicant may increase its
6 license bid or otherwise enhance its bid proposal. At the
7 conclusion of such negotiations, the Board shall select the
8 winning proposal. In the case of negotiations for an owners
9 license, the Board may, at the conclusion of such negotiations,
10 make the determination allowed under Section 7.3(a).

11 (8) Upon selection of a winning bid, the Board shall
12 evaluate the winning bid within a reasonable period of time for
13 licensee suitability in accordance with all applicable
14 statutory and regulatory criteria.

15 (9) If the winning bidder is unable or otherwise fails to
16 consummate the transaction, (including if the Board determines
17 that the winning bidder does not satisfy the suitability
18 requirements), the Board may, on the same criteria, select from
19 the remaining bidders or make the determination allowed under
20 Section 7.3(a).

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

22 (230 ILCS 10/7.6 new)

23 Sec. 7.6. Electronic gaming.

24 (a) The General Assembly finds that the horse racing and
25 riverboat gambling industries share many similarities and

1 collectively comprise the bulk of the State's gaming industry.
2 One feature common to both industries is that each is highly
3 regulated by the State of Illinois. The General Assembly
4 further finds, however, that despite their shared features each
5 industry is distinct from the other in that horse racing is and
6 continues to be intimately tied to Illinois' agricultural
7 economy and is, at its core, a spectator sport. This
8 distinction requires the General Assembly to utilize different
9 methods to regulate and promote the horse racing industry
10 throughout the State. The General Assembly finds that in order
11 to promote live horse racing as a spectator sport in Illinois
12 and the agricultural economy of this State, it is necessary to
13 allow electronic gaming at Illinois race tracks as an ancillary
14 use given the success of other states in increasing live racing
15 purse accounts and improving the quality of horses
16 participating in horse race meetings.

17 (b) The Illinois Gaming Board shall award one electronic
18 gaming license to each person, firm, or corporation having
19 operating control of a race track that applies under Section 56
20 of the Illinois Horse Racing Act of 1975, subject to the
21 application and eligibility requirements of this Section.
22 Within 60 days after the effective date of this amendatory Act
23 of the 97th General Assembly, a person, firm, or corporation
24 having operating control of a race track may submit an
25 application for an electronic gaming license, except that the
26 Illinois State Fairgrounds Racetrack Authority may submit an

1 application for an electronic gaming license at any time after
2 the effective date of this amendatory Act of the 97th General
3 Assembly. The application shall specify the number of gaming
4 positions the applicant intends to use and the place where the
5 electronic gaming facility will operate.

6 The Board shall determine within 120 days after receiving
7 an application for an electronic gaming license, whether to
8 grant an electronic gaming license to the applicant. If the
9 Board does not make a determination within that time period,
10 then the Board shall give a written explanation to the
11 applicant as to why it has not reached a determination and when
12 it reasonably expects to make a determination.

13 The electronic gaming licensee shall purchase up to the
14 amount of electronic gaming positions authorized under this Act
15 within 120 days after receiving its electronic gaming license.
16 If an electronic gaming licensee is prepared to purchase the
17 electronic gaming positions, but is temporarily prohibited
18 from doing so by order of a court of competent jurisdiction or
19 the Board, then the 120-day period is tolled until a resolution
20 is reached.

21 An electronic gaming license shall authorize its holder to
22 conduct electronic gaming at its race track at the following
23 times:

24 (1) On days when it conducts live racing at the track
25 where its electronic gaming facility is located, from 8:00
26 a.m. until 3:00 a.m. on the following day.

1 (2) On days when it is scheduled to conduct simulcast
2 wagering on races run in the United States, from 8:00 a.m.
3 until 3:00 a.m. on the following day.

4 Additionally, the Board may extend these days of operation
5 and hours upon request by an organization licensee as the Board
6 sees fit.

7 A license to conduct electronic gaming and any renewal of
8 an electronic gaming license shall authorize electronic gaming
9 for a period of 4 years. The fee for the issuance or renewal of
10 an electronic gaming license shall be \$100,000.

11 (c) To be eligible to conduct electronic gaming, a person,
12 firm, or corporation having operating control of a race track
13 must (i) obtain an electronic gaming license, (ii) hold an
14 organization license under the Illinois Horse Racing Act of
15 1975, (iii) hold an inter-track wagering license, (iv) pay an
16 initial fee of \$25,000 per gaming position from electronic
17 gaming licensees where electronic gaming is conducted in Cook
18 County and \$12,500 for electronic gaming licensees where
19 electronic gaming is located outside of Cook County before
20 beginning to conduct electronic gaming plus make the
21 reconciliation payment required under subsection (i), (v)
22 conduct at least 240 live races at each track per year, (vi)
23 meet the requirements of subsection (a) of Section 56 of the
24 Illinois Horse Racing Act of 1975, (vii) for organization
25 licensees conducting standardbred race meetings that had an
26 open backstretch in 2009, keep backstretch barns and

1 dormitories open and operational year-round unless a lesser
2 schedule is mutually agreed to by the organization licensee and
3 the horsemen's association racing at that organization
4 licensee's race meeting, (viii) for organization licensees
5 conducting thoroughbred race meetings, the organization
6 licensee must maintain accident medical expense liability
7 insurance coverage of \$1,000,000 for jockeys, and (ix) meet all
8 other requirements of this Act that apply to owners licensees.
9 Only those persons, firms, or corporations (or its successors
10 or assigns) that had operating control of a race track and held
11 an inter-track wagering license authorized by the Illinois
12 Racing Board in 2009 are eligible, except that this provision
13 shall not apply to the Illinois State Fairgrounds Racetrack
14 Authority.

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

23 All payments by licensees under this subsection (c) shall
24 be deposited into the Gaming Facilities Fee Revenue Fund.

25 (d) The Board may approve electronic gaming positions
26 statewide as provided in this Section. The authority to operate

1 electronic gaming positions under this Section shall be
2 allocated as follows: up to 1,200 gaming positions for any
3 electronic gaming licensee in Cook County and up to 900 gaming
4 positions for any electronic gaming licensee outside of Cook
5 County.

6 (e) Any positions that are not obtained by an organization
7 licensee, other than the Illinois State Fairgrounds Racetrack
8 Authority, shall be retained by the Gaming Board and shall be
9 offered in equal amounts to organization licensees who have
10 purchased all of the positions that were offered. This process
11 shall continue until all positions have been purchased. All
12 positions obtained pursuant to this process must be in
13 operation within 18 months after they were obtained or the
14 organization licensee forfeits the right to operate all of the
15 positions, but is not entitled to a refund of any fees paid.
16 The Board may, after holding a public hearing, grant extensions
17 so long as an organization licensee is working in good faith to
18 begin conducting electronic gaming. The extension may be for a
19 period of 6 months. If, after the period of the extension, a
20 licensee has not begun to conduct electronic gaming, another
21 public hearing must be held by the Board before it may grant
22 another extension.

23 (f) Subject to the approval of the Illinois Gaming Board,
24 an electronic gaming licensee may make modification or
25 additions to any existing buildings and structures to comply
26 with the requirements of this Act. The Illinois Gaming Board

1 shall make its decision after consulting with the Illinois
2 Racing Board. In no case, however, shall the Illinois Gaming
3 Board approve any modification or addition that alters the
4 grounds of the organizational licensee such that the act of
5 live racing is an ancillary activity to electronic gaming.
6 Electronic gaming may take place in existing structures where
7 inter-track wagering is conducted at the race track or a
8 facility within 300 yards of the race track in accordance with
9 the provisions of this Act and the Illinois Horse Racing Act of
10 1975.

11 (g) An electronic gaming licensee may conduct electronic
12 gaming at a temporary facility pending the construction of a
13 permanent facility or the remodeling or relocation of an
14 existing facility to accommodate electronic gaming
15 participants for up to 24 months after the temporary facility
16 begins to conduct electronic gaming. Upon request by an
17 electronic gaming licensee and upon a showing of good cause by
18 the electronic gaming licensee, the Board shall extend the
19 period during which the licensee may conduct electronic gaming
20 at a temporary facility by up to 12 months. The Board shall
21 make rules concerning the conduct of electronic gaming from
22 temporary facilities.

23 Electronic gaming may take place in existing structures
24 where inter-track wagering is conducted at the race track or a
25 facility within 300 yards of the race track in accordance with
26 the provisions of this Act and the Illinois Horse Racing Act of

1 1975. Any electronic gaming conducted at a permanent facility
2 within 300 yards of the race track in accordance with this Act
3 and the Illinois Horse Racing Act of 1975 shall have an
4 all-weather egress connecting the electronic gaming facility
5 and the race track facility or, on days and hours of live
6 racing, a complimentary shuttle service between the permanent
7 electronic gaming facility and the race track facility and
8 shall not charge electronic gaming participants an additional
9 admission fee to the race track facility.

10 (h) The Illinois Gaming Board must adopt emergency rules in
11 accordance with Section 5-45 of the Illinois Administrative
12 Procedure Act as necessary to ensure compliance with the
13 provisions of this amendatory Act of the 97th General Assembly
14 concerning electronic gaming. The adoption of emergency rules
15 authorized by this subsection (h) shall be deemed to be
16 necessary for the public interest, safety, and welfare.

17 (i) Each electronic gaming licensee who obtains electronic
18 gaming positions must make a reconciliation payment 4 years
19 after the date the electronic gaming licensee begins operating
20 the positions in an amount equal to 75% of the difference
21 between its adjusted gross receipts from electronic gaming and
22 amounts paid to its purse accounts pursuant to item (1) of
23 subsection (b) of Section 56 of the Illinois House Racing Act
24 of 1975 for the 12-month period for which such difference was
25 the largest, minus an amount equal to the initial \$25,000 or
26 \$12,500 per electronic gaming position initial payment. If this

1 calculation results in a negative amount, then the electronic
2 gaming licensee is not entitled to any reimbursement of fees
3 previously paid. This reconciliation payment may be made in
4 installments over a period of no more than 5 years, subject to
5 Board approval. Any installment payments shall include an
6 annual market interest rate as determined by the Board.

7 All payments by licensees under this subsection (i) shall
8 be deposited into the Gaming Facilities Fee Revenue Fund.

9 (j) As soon as practical after a request is made by the
10 Illinois Gaming Board, to minimize duplicate submissions by the
11 applicant, the Illinois Racing Board must provide information
12 on an applicant for an electronic gaming license to the
13 Illinois Gaming Board.

14 (k) Subject to the approval of the Illinois Gaming Board,
15 an organization licensee that has received an electronic gaming
16 license under this Act and has operating control of a race
17 track facility located in Cook County may relocate its race
18 track facility as follows:

19 (1) the organization licensee may relocate within a
20 3-mile radius of its existing race track facility so long
21 as the organization licensee remains in Cook County and
22 submits its plan to construct a new structure to conduct
23 electronic gaming operations; and

24 (2) the organization licensee may not relocate within a
25 5-mile radius of a riverboat if the owners license was
26 issued prior to December 31, 2011.

1 The relocation must include the race track facility, including
2 the race track operations used to conduct live racing and the
3 electronic gaming facility in its entirety. For the purposes of
4 this subsection (k), "race track facility" means all operations
5 conducted on the race track property for which it was awarded a
6 license for pari-mutuel wagering and live racing in the year
7 2010, except for the real estate itself. The Illinois Gaming
8 Board shall make its decision after consulting with the
9 Illinois Racing Board, and any relocation application shall be
10 subject to all of the provisions of this Act and the Illinois
11 Horse Racing Act of 1975.

12 (230 ILCS 10/7.7 new)

13 Sec. 7.7. Home rule. The regulation and licensing of
14 electronic gaming and electronic gaming licensees are
15 exclusive powers and functions of the State. A home rule unit
16 may not regulate or license electronic gaming or electronic
17 gaming licensees. This Section is a denial and limitation of
18 home rule powers and functions under subsection (h) of Section
19 6 of Article VII of the Illinois Constitution.

20 (230 ILCS 10/7.8 new)

21 Sec. 7.8. Casino operator license.

22 (a) A qualified person may apply to the Board for a casino
23 operator license to operate and manage any gambling operation
24 conducted by the Authority. The application shall be made on

1 forms provided by the Board and shall contain such information
2 as the Board prescribes, including but not limited to
3 information required in Sections 6(a), (b), and (c) and
4 information relating to the applicant's proposed price to
5 manage the Authority's gambling operations and to provide the
6 casino, gambling equipment, and supplies necessary to conduct
7 Authority gambling operations.

8 (b) A person, firm, or corporation is ineligible to receive
9 a casino operator license if:

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

12 (2) the person has been convicted of any violation of
13 Article 28 of the Criminal Code of 1961, or substantially
14 similar laws of any other jurisdiction;

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

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

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

21 (6) the firm or corporation employs a person defined in
22 (1), (2), (3), or (4) who participates in the management or
23 operation of gambling operations authorized under this
24 Act; or

25 (7) a license of the person, firm, or corporation
26 issued under this Act, or a license to own or operate

1 gambling facilities in any other jurisdiction, has been
2 revoked.

3 (c) In determining whether to grant a casino operator
4 license, the Board shall consider:

5 (1) the character, reputation, experience and
6 financial integrity of the applicants and of any other or
7 separate person that either:

8 (A) controls, directly or indirectly, such
9 applicant, or

10 (B) is controlled, directly or indirectly, by such
11 applicant or by a person which controls, directly or
12 indirectly, such applicant;

13 (2) the facilities or proposed facilities for the
14 conduct of gambling;

15 (3) the preference of the municipality in which the
16 licensee will operate;

17 (4) the extent to which the ownership of the applicant
18 reflects the diversity of the State by including minority
19 persons and females and the good faith affirmative action
20 plan of each applicant to recruit, train, and upgrade
21 minority persons and females in all employment
22 classifications;

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

25 (6) whether the applicant has adequate capitalization
26 to provide and maintain, for the duration of a license, a

1 casino; and

2 (7) the extent to which the applicant exceeds or meets
3 other standards for the issuance of a managers license that
4 the Board may adopt by rule.

5 (d) Each applicant shall submit with his or her
6 application, on forms prescribed by the Board, 2 sets of his or
7 her fingerprints.

8 (e) The Board shall charge each applicant a fee, set by the
9 Board, to defray the costs associated with the background
10 investigation conducted by the Board.

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

13 (g) The casino operator license shall be issued only upon
14 proof that it has entered into a labor peace agreement with
15 each labor organization that is actively engaged in
16 representing and attempting to represent casino and
17 hospitality industry workers in this State. The labor peace
18 agreement must be a valid and enforceable agreement under 29
19 U.S.C. 185 that protects the city's and State's revenues from
20 the operation of the casino facility by prohibiting the labor
21 organization and its members from engaging in any picketing,
22 work stoppages, boycotts, or any other economic interference
23 with the casino facility for at least the first 5 years of the
24 casino license and must cover all operations at the casino
25 facility that are conducted by lessees or tenants or under
26 management agreements.

1 (h) The casino operator license shall be for a term to be
2 determined by the Authority, shall be renewable at the Board's
3 option, and shall contain such terms and provisions as the
4 Board deems necessary to protect or enhance the credibility and
5 integrity of State gambling operations, achieve the highest
6 prospective total revenue to the State, and otherwise serve the
7 interests of the citizens of Illinois. The Board may revoke the
8 license:

9 (1) for violation of any provision of this Act;

10 (2) for violation of any rules of the Board;

11 (3) for any cause which, if known to the Board, would
12 have disqualified the applicant from receiving the
13 license; or

14 (4) for any other just cause.

15 (230 ILCS 10/7.9 new)

16 Sec. 7.9. Diversity program.

17 (a) Each owners licensee, electronic gaming licensee,
18 casino operator licensee, and suppliers licensee shall
19 establish and maintain a diversity program to ensure
20 non-discrimination in the award and administration of
21 contracts. The programs shall establish goals of awarding not
22 less than 20% of the annual dollar value of all contracts,
23 purchase orders, or other agreements to minority owned
24 businesses and 5% of the annual dollar value of all contracts
25 to female owned businesses.

1 (b) Each owners licensee, electronic gaming licensee,
2 casino operator licensee, and suppliers licensee shall
3 establish and maintain a diversity program designed to promote
4 equal opportunity for employment. The program shall establish
5 hiring goals as the Board and each licensee determines
6 appropriate. The Board shall monitor the progress of the gaming
7 licensee's progress with respect to the program's goals.

8 (c) No later than May 31 of each year, each licensee shall
9 report to the Board the number of respective employees and the
10 number of their respective employees who have designated
11 themselves as members of a minority group and gender. In
12 addition, all licensees shall submit a report with respect to
13 the minority owned and female owned businesses program created
14 in this Section to the Board.

15 (230 ILCS 10/7.10 new)

16 Sec. 7.10. Annual report on diversity.

17 (a) Each licensee that receives a license under Sections 7,
18 7.1, and 7.6 shall execute and file a report with the Board no
19 later than December 31 of each year that shall contain, but not
20 be limited to, the following information:

21 (i) a good faith affirmative action plan to recruit,
22 train, and upgrade minority persons, females, and persons
23 with a disability in all employment classifications;

24 (ii) the total dollar amount of contracts that were
25 awarded to businesses owned by minority persons, females,

1 and persons with a disability;

2 (iii) the total number of businesses owned by minority
3 persons, females, and persons with a disability that were
4 utilized by the licensee;

5 (iv) the utilization of businesses owned by minority
6 persons, females, and persons with disabilities during the
7 preceding year; and

8 (v) the outreach efforts used by the licensee to
9 attract investors and businesses consisting of minority
10 persons, females, and persons with a disability.

11 (b) The Board shall forward a copy of each licensee's
12 annual reports to the General Assembly no later than February 1
13 of each year.

14 (230 ILCS 10/7.11 new)

15 Sec. 7.11. Issuance of new owners licenses.

16 (a) Owners licenses newly authorized pursuant to this
17 amendatory Act of the 97th General Assembly may be issued by
18 the Board to a qualified applicant pursuant to an open and
19 competitive bidding process, as set forth in Section 7.5, and
20 subject to the maximum number of authorized licenses set forth
21 in subsection (e-5) of Section 7 of this Act.

22 (b) To be a qualified applicant, a person, firm, or
23 corporation may not be ineligible to receive an owners license
24 under subsection (a) of Section 7 of this Act and must submit
25 an application for an owners license that complies with Section

1 6 of this Act.

2 (c) In determining whether to grant an owners license to an
3 applicant, the Board shall consider all of the factors set
4 forth in subsections (b) and (e-10) of Section 7 of this Act,
5 as well as the amount of the applicant's license bid. The Board
6 may grant the owners license to an applicant that has not
7 submitted the highest license bid, but if it does not select
8 the highest bidder, the Board shall issue a written decision
9 explaining why another applicant was selected and identifying
10 the factors set forth in subsections (b) and (e-10) of Section
11 7 of this Act that favored the winning bidder.

12 (230 ILCS 10/7.12 new)

13 Sec. 7.12. Environmental standards. All casinos,
14 riverboats, and electronic gaming facilities shall consist of
15 buildings that are certified as meeting the U.S. Green Building
16 Council's Leadership in Energy and Environmental Design
17 standards. The provisions of this Section apply to a holder of
18 an owners license, casino operator license, or electronic
19 gaming license that (i) begins operations on or after January
20 1, 2012 or (ii) relocates its facilities on or after the
21 effective date of this amendatory Act of the 97th General
22 Assembly.

23 (230 ILCS 10/8) (from Ch. 120, par. 2408)

24 Sec. 8. Suppliers licenses.

1 (a) The Board may issue a suppliers license to such
2 persons, firms or corporations which apply therefor upon the
3 payment of a non-refundable application fee set by the Board,
4 upon a determination by the Board that the applicant is
5 eligible for a suppliers license and upon payment of a \$5,000
6 annual license fee.

7 (b) The holder of a suppliers license is authorized to sell
8 or lease, and to contract to sell or lease, gambling equipment
9 and supplies to any licensee involved in the ownership or
10 management of gambling operations.

11 (c) Gambling supplies and equipment may not be distributed
12 unless supplies and equipment conform to standards adopted by
13 rules of the Board.

14 (d) A person, firm or corporation is ineligible to receive
15 a suppliers license if:

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

18 (2) the person has been convicted of any violation of
19 Article 28 of the Criminal Code of 1961, or substantially
20 similar laws of any other jurisdiction;

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

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

24 (5) the firm or corporation is one in which a person
25 defined in (1), (2), (3) or (4), is an officer, director or
26 managerial employee;

1 (6) the firm or corporation employs a person who
2 participates in the management or operation of riverboat
3 gambling authorized under this Act;

4 (7) the license of the person, firm or corporation
5 issued under this Act, or a license to own or operate
6 gambling facilities in any other jurisdiction, has been
7 revoked.

8 (e) Any person that supplies any equipment, devices, or
9 supplies to a licensed riverboat gambling operation or casino
10 or electronic gaming operation must first obtain a suppliers
11 license. A supplier shall furnish to the Board a list of all
12 equipment, devices and supplies offered for sale or lease in
13 connection with gambling games authorized under this Act. A
14 supplier shall keep books and records for the furnishing of
15 equipment, devices and supplies to gambling operations
16 separate and distinct from any other business that the supplier
17 might operate. A supplier shall file a quarterly return with
18 the Board listing all sales and leases. A supplier shall
19 permanently affix its name to all its equipment, devices, and
20 supplies for gambling operations. Any supplier's equipment,
21 devices or supplies which are used by any person in an
22 unauthorized gambling operation shall be forfeited to the
23 State. A holder of an owners license or an electronic gaming
24 license ~~A licensed owner~~ may own its own equipment, devices and
25 supplies. Each holder of an owners license or an electronic
26 gaming license under the Act shall file an annual report

1 listing its inventories of gambling equipment, devices and
2 supplies.

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

5 (g) Any gambling equipment, devices and supplies provided
6 by any licensed supplier may either be repaired on the
7 riverboat, in the casino, or at the electronic gaming facility
8 or removed from the riverboat, casino, or electronic gaming
9 facility to a an on-shore facility owned by the holder of an
10 owners license or electronic gaming license for repair.

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

12 (230 ILCS 10/9) (from Ch. 120, par. 2409)

13 Sec. 9. Occupational licenses.

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

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

24 (2) not have been convicted of a felony offense, a
25 violation of Article 28 of the Criminal Code of 1961, or a

1 similar statute of any other jurisdiction;

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

10 (3) have demonstrated a level of skill or knowledge
11 which the Board determines to be necessary in order to
12 operate gambling aboard a riverboat, in a casino, or at an
13 electronic gaming facility; and

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

23 (b) Each application for an occupational license shall be
24 on forms prescribed by the Board and shall contain all
25 information required by the Board. The applicant shall set
26 forth in the application: whether he has been issued prior

1 gambling related licenses; whether he has been licensed in any
2 other state under any other name, and, if so, such name and his
3 age; and whether or not a permit or license issued to him in
4 any other state has been suspended, restricted or revoked, and,
5 if so, for what period of time.

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

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

21 (e) The Board may suspend, revoke or restrict any
22 occupational licensee: (1) for violation of any provision of
23 this Act; (2) for violation of any of the rules and regulations
24 of the Board; (3) for any cause which, if known to the Board,
25 would have disqualified the applicant from receiving such
26 license; or (4) for default in the payment of any obligation or

1 debt due to the State of Illinois; or (5) for any other just
2 cause.

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

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

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

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

20 (Source: P.A. 96-1392, eff. 1-1-11.)

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. Gambling may be conducted by electronic
25 gaming licensees at electronic gaming facilities. Gambling

1 authorized under this Section is subject to the following
2 standards:

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

11 (2) (Blank).

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

14 (4) Agents of the Board and the Department of State
15 Police may board and inspect any riverboat, enter and
16 inspect any portion of a casino, or enter and inspect any
17 portion of an electronic gaming facility at any time for
18 the purpose of determining whether this Act is being
19 complied with. Every riverboat, if under way and being
20 hailed by a law enforcement officer or agent of the Board,
21 must stop immediately and lay to.

22 (5) Employees of the Board shall have the right to be
23 present on the riverboat or in the casino or on adjacent
24 facilities under the control of the licensee and at the
25 electronic gaming facility under the control of the
26 electronic gaming licensee.

1 (6) Gambling equipment and supplies customarily used
2 in conducting riverboat or casino gambling or electronic
3 gaming must be purchased or leased only from suppliers
4 licensed for such purpose under this Act. The Board may
5 approve the transfer, sale, or lease of gambling equipment
6 and supplies by a licensed owner from or to an affiliate of
7 the licensed owner as long as the gambling equipment and
8 supplies were initially acquired from a supplier licensed
9 in Illinois.

10 (7) Persons licensed under this Act shall permit no
11 form of wagering on gambling games except as permitted by
12 this Act.

13 (8) Wagers may be received only from a person present
14 on a licensed riverboat, in a casino, or at an electronic
15 gaming facility. No person present on a licensed riverboat,
16 in a casino, or at an electronic gaming facility shall
17 place or attempt to place a wager on behalf of another
18 person who is not present on the riverboat, in a casino, or
19 at the electronic gaming facility.

20 (9) Wagering, including electronic gaming, shall not
21 be conducted with money or other negotiable currency.

22 (10) A person under age 21 shall not be permitted on an
23 area of a riverboat or casino where gambling is being
24 conducted or at an electronic gaming facility where
25 gambling is being conducted, except for a person at least
26 18 years of age who is an employee of the riverboat or

1 casino gambling operation or electronic gaming operation.

2 No employee under age 21 shall perform any function
3 involved in gambling by the patrons. No person under age 21
4 shall be permitted to make a wager under this Act, and any
5 winnings that are a result of a wager by a person under age
6 21, whether or not paid by a licensee, shall be treated as
7 winnings for the privilege tax purposes, confiscated, and
8 forfeited to the State and deposited into the Education
9 Assistance Fund.

10 (11) Gambling excursion cruises are permitted only
11 when the waterway for which the riverboat is licensed is
12 navigable, as determined by the Board in consultation with
13 the U.S. Army Corps of Engineers. This paragraph (11) does
14 not limit the ability of a licensee to conduct gambling
15 authorized under this Act when gambling excursion cruises
16 are not permitted.

17 (12) All tokens, chips or electronic cards used to make
18 wagers must be purchased (i) from a licensed owner or
19 manager, in the case of a riverboat, either aboard a
20 riverboat or at an onshore facility which has been approved
21 by the Board and which is located where the riverboat
22 docks, (ii) in the case of a casino, from a licensed owner
23 at the casino, or (iii) from an electronic gaming licensee
24 at the electronic gaming facility. The tokens, chips or
25 electronic cards may be purchased by means of an agreement
26 under which the owner or manager extends credit to the

1 patron. Such tokens, chips or electronic cards may be used
2 while aboard the riverboat, in the casino, or at the
3 electronic gaming facility only for the purpose of making
4 wagers on gambling games.

5 (13) Notwithstanding any other Section of this Act, in
6 addition to the other licenses authorized under this Act,
7 the Board may issue special event licenses allowing persons
8 who are not otherwise licensed to conduct riverboat
9 gambling to conduct such gambling on a specified date or
10 series of dates. Riverboat gambling under such a license
11 may take place on a riverboat not normally used for
12 riverboat gambling. The Board shall establish standards,
13 fees and fines for, and limitations upon, such licenses,
14 which may differ from the standards, fees, fines and
15 limitations otherwise applicable under this Act. All such
16 fees shall be deposited into the State Gaming Fund. All
17 such fines shall be deposited into the Education Assistance
18 Fund, created by Public Act 86-0018, of the State of
19 Illinois.

20 (14) In addition to the above, gambling must be
21 conducted in accordance with all rules adopted by the
22 Board.

23 (Source: P.A. 96-1392, eff. 1-1-11.)

24 (230 ILCS 10/11.1) (from Ch. 120, par. 2411.1)

25 Sec. 11.1. Collection of amounts owing under credit

1 agreements. Notwithstanding any applicable statutory provision
2 to the contrary, a licensed owner, ~~or~~ manager, or electronic
3 gaming licensee who extends credit to a ~~riverboat~~ gambling
4 patron or an electronic gaming patron pursuant to Section 11
5 (a) (12) of this Act is expressly authorized to institute a
6 cause of action to collect any amounts due and owing under the
7 extension of credit, as well as the owner's or manager's costs,
8 expenses and reasonable attorney's fees incurred in
9 collection.

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

11 (230 ILCS 10/12) (from Ch. 120, par. 2412)

12 Sec. 12. Admission tax; fees.

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

1 23, 2005 (the effective date of Public Act 94-673), for a
2 licensee that admitted 1,000,000 persons or fewer in calendar
3 year 2004, the rate is \$2 per person admitted, and for all
4 other licensees, including licensees that were not conducting
5 gambling operations in 2004, the rate is \$3 per person
6 admitted. This admission tax is imposed upon the licensed owner
7 conducting gambling.

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

13 (2) (Blank).

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

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

22 (a-5) A fee is hereby imposed upon admissions operated by
23 licensed managers on behalf of the State pursuant to Section
24 7.3 at the rates provided in this subsection (a-5). For a
25 licensee that admitted 1,000,000 persons or fewer in the
26 previous calendar year, the rate is \$3 per person admitted; for

1 a licensee that admitted more than 1,000,000 but no more than
2 2,300,000 persons in the previous calendar year, the rate is \$4
3 per person admitted; and for a licensee that admitted more than
4 2,300,000 persons in the previous calendar year, the rate is \$5
5 per person admitted.

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

7 (2) (Blank).

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

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

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

1 (c) The licensed owner shall pay the entire admission tax
2 to the Board and the licensed manager or the casino operator
3 licensee shall pay the entire admission fee to the Board. Such
4 payments shall be made daily. Accompanying each payment shall
5 be a return on forms provided by the Board which shall include
6 other information regarding admissions as the Board may
7 require. Failure to submit either the payment or the return
8 within the specified time may result in suspension or
9 revocation of the owners or managers license.

10 (c-5) A tax is imposed on admissions to electronic gaming
11 facilities at the rate of \$3 per person admitted by an
12 electronic gaming licensee. The tax is imposed upon the
13 electronic gaming licensee.

14 (1) The admission tax shall be paid for each admission,
15 except that a person who exits an electronic gaming
16 facility and reenters that electronic gaming facility
17 within the same gaming day, as the term "gaming day" is
18 defined by the Board by rule, shall be subject only to the
19 initial admission tax. The Board shall establish, by rule,
20 a procedure to determine whether a person admitted to an
21 electronic gaming facility has paid the admission tax.

22 (2) An electronic gaming licensee may issue tax-free
23 passes to actual and necessary officials and employees of
24 the licensee and other persons associated with electronic
25 gaming operations.

26 (3) The number and issuance of tax-free passes is

1 subject to the rules of the Board, and a list of all
2 persons to whom the tax-free passes are issued shall be
3 filed with the Board.

4 (4) The electronic gaming licensee shall pay the entire
5 admission tax to the Board.

6 Such payments shall be made daily. Accompanying each
7 payment shall be a return on forms provided by the Board, which
8 shall include other information regarding admission as the
9 Board may require. Failure to submit either the payment or the
10 return within the specified time may result in suspension or
11 revocation of the electronic gaming license.

12 From the tax imposed under this subsection (c-5), a
13 municipality other than the Village of Stickney or the City of
14 Collinsville in which an electronic gaming facility is located,
15 or if the electronic gaming facility is not located within a
16 municipality, then the county in which the electronic gaming
17 facility is located, except as otherwise provided in this
18 Section, shall receive, subject to appropriation, \$1 for each
19 person who enters the electronic gaming facility. For each
20 admission to the electronic gaming facility in excess of
21 1,500,000 in a year, from the tax imposed under this subsection
22 (c-5), the county in which the electronic gaming facility is
23 located shall receive, subject to appropriation, \$0.30, which
24 shall be in addition to any other moneys paid to the county
25 under this Section.

26 From the tax imposed under this subsection (c-5) on an

1 electronic gaming facility located in the Village of Stickney,
2 \$1 for each person who enters the electronic gaming facility
3 shall be distributed as follows, subject to appropriation:
4 \$0.25 to the Village of Stickney, \$.50 to the Town of Cicero,
5 \$0.05 to the City of Berwyn, and \$0.20 to the Stickney Public
6 Health District.

7 From the tax imposed under this subsection (c-5) on an
8 electronic gaming facility located in the City of Collinsville,
9 \$1 for each person who enters the electronic gaming facility
10 shall be distributed as follows, subject to appropriation:
11 \$0.45 to the City of Alton, \$0.45 to the City of East St.
12 Louis, and \$0.10 to the City of Collinsville.

13 From the tax imposed under this subsection (c-5) on an
14 electronic gaming facility that is located in an unincorporated
15 area of Cook County and has been awarded standardbred racing
16 dates during 2011 by the Illinois Racing Board, \$1 for each
17 person who enters the electronic gaming facility shall be
18 divided equally and distributed, subject to appropriation, to
19 the Village of Melrose Park, the Village of Maywood, and Cook
20 County.

21 After payments required under this subsection (c-5) have
22 been made, all remaining amounts shall be deposited into the
23 Capital Projects Fund.

24 (d) The Board shall administer and collect the admission
25 tax imposed by this Section, to the extent practicable, in a
26 manner consistent with the provisions of Sections 4, 5, 5a, 5b,

1 5c, 5d, 5e, 5f, 5g, 5i, 5j, 6, 6a, 6b, 6c, 8, 9 and 10 of the
2 Retailers' Occupation Tax Act and Section 3-7 of the Uniform
3 Penalty and Interest Act.

4 (Source: P.A. 95-663, eff. 10-11-07; 96-1392, eff. 1-1-11.)

5 (230 ILCS 10/13) (from Ch. 120, par. 2413)

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

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

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

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

17 20% of annual adjusted gross receipts in excess of
18 \$25,000,000 but not exceeding \$50,000,000;

19 25% of annual adjusted gross receipts in excess of
20 \$50,000,000 but not exceeding \$75,000,000;

21 30% of annual adjusted gross receipts in excess of
22 \$75,000,000 but not exceeding \$100,000,000;

23 35% of annual adjusted gross receipts in excess of
24 \$100,000,000.

25 (a-2) From July 1, 2002 until July 1, 2003, a privilege tax

1 is imposed on persons engaged in the business of conducting
2 riverboat gambling operations, other than licensed managers
3 conducting riverboat gambling operations on behalf of the
4 State, based on the adjusted gross receipts received by a
5 licensed owner from gambling games authorized under this Act at
6 the following rates:

7 15% of annual adjusted gross receipts up to and
8 including \$25,000,000;

9 22.5% of annual adjusted gross receipts in excess of
10 \$25,000,000 but not exceeding \$50,000,000;

11 27.5% of annual adjusted gross receipts in excess of
12 \$50,000,000 but not exceeding \$75,000,000;

13 32.5% of annual adjusted gross receipts in excess of
14 \$75,000,000 but not exceeding \$100,000,000;

15 37.5% of annual adjusted gross receipts in excess of
16 \$100,000,000 but not exceeding \$150,000,000;

17 45% of annual adjusted gross receipts in excess of
18 \$150,000,000 but not exceeding \$200,000,000;

19 50% of annual adjusted gross receipts in excess of
20 \$200,000,000.

21 (a-3) Beginning July 1, 2003, a privilege tax is imposed on
22 persons engaged in the business of conducting riverboat
23 gambling operations, other than licensed managers conducting
24 riverboat gambling operations on behalf of the State, based on
25 the adjusted gross receipts received by a licensed owner from
26 gambling games authorized under this Act at the following

1 rates:

2 15% of annual adjusted gross receipts up to and
3 including \$25,000,000;

4 27.5% of annual adjusted gross receipts in excess of
5 \$25,000,000 but not exceeding \$37,500,000;

6 32.5% of annual adjusted gross receipts in excess of
7 \$37,500,000 but not exceeding \$50,000,000;

8 37.5% of annual adjusted gross receipts in excess of
9 \$50,000,000 but not exceeding \$75,000,000;

10 45% of annual adjusted gross receipts in excess of
11 \$75,000,000 but not exceeding \$100,000,000;

12 50% of annual adjusted gross receipts in excess of
13 \$100,000,000 but not exceeding \$250,000,000;

14 70% of annual adjusted gross receipts in excess of
15 \$250,000,000.

16 An amount equal to the amount of wagering taxes collected
17 under this subsection (a-3) that are in addition to the amount
18 of wagering taxes that would have been collected if the
19 wagering tax rates under subsection (a-2) were in effect shall
20 be paid into the Common School Fund.

21 The privilege tax imposed under this subsection (a-3) shall
22 no longer be imposed beginning on the earlier of (i) July 1,
23 2005; (ii) the first date after June 20, 2003 that riverboat
24 gambling operations are conducted pursuant to a dormant
25 license; or (iii) the first day that riverboat gambling
26 operations are conducted under the authority of an owners

1 license that is in addition to the 10 owners licenses initially
2 authorized under this Act. For the purposes of this subsection
3 (a-3), the term "dormant license" means an owners license that
4 is authorized by this Act under which no riverboat gambling
5 operations are being conducted on June 20, 2003.

6 (a-4) Beginning on the first day on which the tax imposed
7 under subsection (a-3) is no longer imposed and ending on
8 December 31, 2011, a privilege tax is imposed on persons
9 engaged in the business of conducting riverboat or casino
10 gambling or electronic gaming operations, other than licensed
11 managers conducting riverboat gambling operations on behalf of
12 the 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-5) Beginning on January 1, 2012 and ending on June 30,
4 2013, a privilege tax is imposed on persons engaged in the
5 business of conducting riverboat or casino gambling or
6 electronic gaming operations, other than licensed managers
7 conducting riverboat gambling operations on behalf of the
8 State, based on the adjusted gross receipts received by such
9 licensee from the gambling games authorized under this Act. The
10 privilege tax for all gambling games other than table games,
11 including, but not limited to, slot machines, video game of
12 chance gambling, and electronic gambling games shall be at the
13 following rates:

14 12% of annual adjusted gross receipts up to and
15 including \$25,000,000;

16 19.5% of annual adjusted gross receipts in excess of
17 \$25,000,000 but not exceeding \$50,000,000;

18 24.5% of annual adjusted gross receipts in excess of
19 \$50,000,000 but not exceeding \$75,000,000;

20 29.5% of annual adjusted gross receipts in excess of
21 \$75,000,000 but not exceeding \$100,000,000;

22 34.5% of annual adjusted gross receipts in excess of
23 \$100,000,000 but not exceeding \$150,000,000;

24 39% of annual adjusted gross receipts in excess of
25 \$150,000,000 but not exceeding \$200,000,000;

26 44% of annual adjusted gross receipts in excess of

1 \$200,000,000 but not exceeding \$300,000,000;

2 30% of annual adjusted gross receipts in excess of

3 \$300,000,000 but not exceeding \$350,000,000;

4 20% of annual adjusted gross receipts in excess of

5 \$350,000,000.

6 The privilege tax for table games shall be at the following
7 rates:

8 12% of annual adjusted gross receipts up to and
9 including \$25,000,000;

10 19.5% of annual adjusted gross receipts in excess of
11 \$25,000,000 but not exceeding \$50,000,000;

12 24.5% of annual adjusted gross receipts in excess of
13 \$50,000,000 but not exceeding \$70,000,000;

14 16% of annual adjusted gross receipts in excess of
15 \$70,000,000.

16 For the imposition of the privilege tax in this subsection
17 (a-5), amounts paid pursuant to item (1) of subsection (b) of
18 Section 56 of the Illinois Horse Racing Act of 1975 shall not
19 be included in the determination of adjusted gross receipts.

20 (a-6) Beginning on July 1, 2013, a privilege tax is imposed
21 on persons engaged in the business of conducting riverboat or
22 casino gambling or electronic gaming operations, other than
23 licensed managers conducting riverboat gambling operations on
24 behalf of the State, based on the adjusted gross receipts
25 received by such licensee from the gambling games authorized
26 under this Act. The privilege tax for all gambling games other

1 than table games, including, but not limited to, slot machines,
2 video game of chance gambling, and electronic gambling games
3 shall be at the following rates:

4 10% of annual adjusted gross receipts up to and
5 including \$25,000,000;

6 17.5% of annual adjusted gross receipts in excess of
7 \$25,000,000 but not exceeding \$50,000,000;

8 22.5% of annual adjusted gross receipts in excess of
9 \$50,000,000 but not exceeding \$75,000,000;

10 27.5% of annual adjusted gross receipts in excess of
11 \$75,000,000 but not exceeding \$100,000,000;

12 32.5% of annual adjusted gross receipts in excess of
13 \$100,000,000 but not exceeding \$150,000,000;

14 35% of annual adjusted gross receipts in excess of
15 \$150,000,000 but not exceeding \$200,000,000;

16 40% of annual adjusted gross receipts in excess of
17 \$200,000,000 but not exceeding \$300,000,000;

18 30% of annual adjusted gross receipts in excess of
19 \$300,000,000 but not exceeding \$350,000,000;

20 20% of annual adjusted gross receipts in excess of
21 \$350,000,000.

22 The privilege tax for table games shall be at the following
23 rates:

24 10% of annual adjusted gross receipts up to and
25 including \$25,000,000;

26 17.5% of annual adjusted gross receipts in excess of

1 \$25,000,000 but not exceeding \$50,000,000;

2 22.5% of annual adjusted gross receipts in excess of

3 \$50,000,000 but not exceeding \$70,000,000;

4 16% of annual adjusted gross receipts in excess of

5 \$70,000,000.

6 For the imposition of the privilege tax in this subsection
7 (a-6), amounts paid pursuant to item (1) of subsection (b) of
8 Section 56 of the Illinois Horse Racing Act of 1975 shall not
9 be included in the determination of adjusted gross receipts.

10 (a-6.3) From the effective date of this amendatory Act of
11 the 97th General Assembly until June 30, 2015, an owners
12 licensee that conducted gambling operations prior to January 1,
13 2011 shall receive a dollar-for-dollar credit against the tax
14 imposed under this Section for any renovation or construction
15 costs paid by the owners licensee, but in no event shall the
16 credit exceed \$2,000,000.

17 Additionally, from the effective date of this amendatory
18 Act of the 97th General Assembly until December 31, 2014, an
19 owners licensee that (i) is located within 15 miles of the
20 Missouri border, and (ii) has at least 3 riverboats, casinos,
21 or their equivalent within a 45-mile radius, may be authorized
22 to relocate to a new location with the approval of both the
23 unit of local government designated as the home dock and the
24 Board, so long as the new location is within the same unit of
25 local government and no more than 3 miles away from its
26 original location. Such owners licensee shall receive a credit

1 against the tax imposed under this Section equal to 8% of the
2 total project costs, as approved by the Board, for any
3 renovation or construction costs paid by the owners licensee
4 for the construction of the new facility, provided that the new
5 facility is operational by July 1, 2014. In determining whether
6 or not to approve a relocation, the Board must consider the
7 extent to which the relocation will diminish the gaming
8 revenues received by other Illinois gaming facilities.

9 (a-7) From January 1, 2013 until December 31, 2022, if the
10 total obligation imposed pursuant to either subsection (a-5) or
11 (a-6) will result in an owners licensee receiving less
12 after-tax adjusted gross receipts than it received in calendar
13 year 2012, then the total amount of privilege taxes that such
14 owners licensee is required to pay for that calendar year shall
15 be reduced to the extent necessary, not to exceed 5% of
16 adjusted gross receipts in that calendar year, so that the
17 after-tax adjusted gross receipts in that calendar year equals
18 the after-tax adjusted gross receipts in calendar year 2012. If
19 pursuant to this subsection (a-7), the total obligation imposed
20 pursuant to either subsection (a-5) or (a-6) shall be reduced,
21 then the owners licensee shall not receive a refund from the
22 State at the end of the subject calendar year but instead shall
23 be able to apply that amount as a credit against any payments
24 it owes to the State in the following calendar year to satisfy
25 its total obligation under either subsection (a-5) or (a-6).

26 For purposes of this subsection (a-7), "after-tax adjusted

1 gross receipts" means, for calendar year 2012, the adjusted
2 gross receipts less privilege taxes paid to the State and for
3 subsequent calendar years, the adjusted gross receipts less
4 privilege taxes paid to the State, then divided by the owners
5 licensee's average number of gaming positions operating in that
6 calendar year and then multiplied by the owners licensee's
7 average number of gaming positions operating in calendar year
8 2012. This subsection (a-7) does not apply to owners licensees
9 authorized pursuant to subsection (e-5) of Section 7 of this
10 Act.

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

14 (a-9) Beginning on January 1, 2012, the calculation of
15 "gross receipts" or "adjusted gross receipts" for a riverboat
16 or casino shall not include the total dollar amount of
17 non-cashable vouchers, coupons, and electronic promotions
18 redeemed by wagerers upon the riverboat or in the casino.

19 The Illinois Gaming Board shall submit to the General
20 Assembly a comprehensive report no later than March 31, 2015
21 detailing, at a minimum, the effect of this calculation on net
22 gaming revenues to the State in calendar years 2012 through
23 2014, the increase or reduction in wagerers as a result of this
24 calculation, the effect of the tax rates in subsection (a-6) on
25 net gaming revenues to the State, and proposed modifications to
26 the calculation.

1 (a-10) The taxes imposed by this Section shall be paid by
2 the licensed owner or the electronic gaming licensee to the
3 Board not later than 5:00 o'clock p.m. of the day after the day
4 when the wagers were made.

5 (a-15) If the privilege tax imposed under subsection (a-3)
6 is no longer imposed pursuant to item (i) of the last paragraph
7 of subsection (a-3), then by June 15 of each year, each owners
8 licensee, other than an owners licensee that admitted 1,000,000
9 persons or fewer in calendar year 2004, must, in addition to
10 the payment of all amounts otherwise due under this Section,
11 pay to the Board a reconciliation payment in the amount, if
12 any, by which the licensed owner's base amount exceeds the
13 amount of net privilege tax paid by the licensed owner to the
14 Board in the then current State fiscal year. A licensed owner's
15 net privilege tax obligation due for the balance of the State
16 fiscal year shall be reduced up to the total of the amount paid
17 by the licensed owner in its June 15 reconciliation payment.
18 The obligation imposed by this subsection (a-15) is binding on
19 any person, firm, corporation, or other entity that acquires an
20 ownership interest in any such owners license. The obligation
21 imposed under this subsection (a-15) terminates on the earliest
22 of: (i) July 1, 2007, (ii) the first day after the effective
23 date of this amendatory Act of the 94th General Assembly that
24 riverboat gambling operations are conducted pursuant to a
25 dormant license, (iii) the first day that riverboat gambling
26 operations are conducted under the authority of an owners

1 license that is in addition to the 10 owners licenses initially
2 authorized under this Act, or (iv) the first day that a
3 licensee under the Illinois Horse Racing Act of 1975 conducts
4 gaming operations with slot machines or other electronic gaming
5 devices. The Board must reduce the obligation imposed under
6 this subsection (a-15) by an amount the Board deems reasonable
7 for any of the following reasons: (A) an act or acts of God,
8 (B) an act of bioterrorism or terrorism or a bioterrorism or
9 terrorism threat that was investigated by a law enforcement
10 agency, or (C) a condition beyond the control of the owners
11 licensee that does not result from any act or omission by the
12 owners licensee or any of its agents and that poses a hazardous
13 threat to the health and safety of patrons. If an owners
14 licensee pays an amount in excess of its liability under this
15 Section, the Board shall apply the overpayment to future
16 payments required under this Section.

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

18 "Act of God" means an incident caused by the operation of
19 an extraordinary force that cannot be foreseen, that cannot be
20 avoided by the exercise of due care, and for which no person
21 can be held liable.

22 "Base amount" means the following:

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

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

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

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

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

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

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

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

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

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

11 The changes made to this subsection (a-15) by Public Act
12 94-839 are intended to restate and clarify the intent of Public
13 Act 94-673 with respect to the amount of the payments required
14 to be made under this subsection by an owners licensee to the
15 Board.

16 (b) Until January 1, 1998, 25% of the tax revenue deposited
17 in the State Gaming Fund under this Section shall be paid,
18 subject to appropriation by the General Assembly, to the unit
19 of local government which is designated as the home dock of the
20 riverboat. Beginning January 1, 1998, from the tax revenue from
21 riverboat or casino gambling deposited in the State Gaming Fund
22 under this Section, an amount equal to 5% of adjusted gross
23 receipts generated by a riverboat or a casino shall be paid
24 monthly, subject to appropriation by the General Assembly, to
25 the unit of local government that is designated as the home
26 dock of the riverboat. From the tax revenue deposited in the

1 State Gaming Fund pursuant to riverboat or casino gambling
2 operations conducted by a licensed manager on behalf of the
3 State, an amount equal to 5% of adjusted gross receipts
4 generated pursuant to those riverboat or casino gambling
5 operations shall be paid monthly, subject to appropriation by
6 the General Assembly, to the unit of local government that is
7 designated as the home dock of the riverboat upon which those
8 riverboat gambling operations are conducted or in which the
9 casino is located. Units of local government may refund any
10 portion of the payment that they receive pursuant to this
11 subsection (b) to the riverboat or casino.

12 (b-4) Beginning on August 1, 2011 and ending on July 31,
13 2042, from the tax revenue deposited in the State Gaming Fund
14 under this Section, \$4,000,000 shall be paid annually, subject
15 to appropriation, to the host municipality of an owners
16 licensee of a license issued or re-issued pursuant to Section
17 7.1 of this Act before January 1, 2012. Payments received by
18 the host municipality pursuant to this subsection (b-4) may not
19 be shared with any other unit of local government.

20 (b-5) Beginning on the effective date of this amendatory
21 Act of the 97th General Assembly, from the tax revenue
22 deposited in the State Gaming Fund under this Section, an
23 amount equal to 3% of adjusted gross receipts generated by each
24 electronic gaming facility located outside Madison County
25 shall be paid monthly, subject to appropriation by the General
26 Assembly, to a municipality other than the Village of Stickney

1 in which each electronic gaming facility is located or, if the
2 electronic gaming facility is not located within a
3 municipality, to the county in which the electronic gaming
4 facility is located, except as otherwise provided in this
5 Section. From the tax revenue deposited in the State Gaming
6 Fund under this Section, an amount equal to 3% of adjusted
7 gross receipts generated by each electronic gaming facility
8 that is located in an unincorporated area of Cook County and
9 has been awarded standardbred racing dates during 2011 by the
10 Illinois Racing Board shall be divided equally and distributed,
11 subject to appropriation, to the Village of Melrose Park, the
12 Village of Maywood, and Cook County. From the tax revenue
13 deposited in the State Gaming Fund under this Section, an
14 amount equal to 3% of adjusted gross receipts generated by an
15 electronic gaming facility located in the Village of Stickney
16 shall be paid monthly, subject to appropriation by the General
17 Assembly, as follows: 25% to the Village of Stickney, 5% to the
18 City of Berwyn, 50% to the Town of Cicero, and 20% to the
19 Stickney Public Health District.

20 From the tax revenue deposited in the State Gaming Fund
21 under this Section, an amount equal to 3% of adjusted gross
22 receipts generated by an electronic gaming facility located in
23 the City of Collinsville shall be paid monthly, subject to
24 appropriation by the General Assembly, as follows: 45% to the
25 City of Alton, 45% to the City of East St. Louis, and 10% to the
26 City of Collinsville.

1 Beginning on the effective date of this amendatory Act of
2 the 97th General Assembly, from the tax revenue deposited in
3 the State Gaming Fund under this Section, an amount equal to
4 (i) 1% of adjusted gross receipts generated by an electronic
5 gaming facility located in Madison County shall be paid
6 monthly, subject to appropriation by the General Assembly, to
7 Madison County for the purposes of infrastructure
8 improvements, and (ii) 1% of adjusted gross receipts generated
9 by an electronic gaming facility located in Madison County
10 shall be paid monthly, subject to appropriation by the General
11 Assembly, to St. Clair County for the purposes of
12 infrastructure improvements.

13 Municipalities and counties may refund any portion of the
14 payment that they receive pursuant to this subsection (b-5) to
15 the electronic gaming facility.

16 (b-6) Beginning on the effective date of this amendatory
17 Act of the 97th General Assembly, from the tax revenue
18 deposited in the State Gaming Fund under this Section, an
19 amount equal to 2% of adjusted gross receipts generated by an
20 electronic gaming facility located outside Madison County
21 shall be paid monthly, subject to appropriation by the General
22 Assembly, to the county in which the electronic gaming facility
23 is located for the purposes of its criminal justice system or
24 health care system.

25 Counties may refund any portion of the payment that they
26 receive pursuant to this subsection (b-6) to the electronic

1 gaming facility.

2 (b-7) The State and County Fair Assistance Fund is created
3 as a special fund in the State treasury. The Fund shall be
4 administered by the Department of Agriculture. Beginning on the
5 effective date of this amendatory Act of the 97th General
6 Assembly, from the tax revenue deposited in the State Gaming
7 Fund under this Section, an amount equal to 2% of adjusted
8 gross receipts, not to exceed \$5,000,000, shall be paid into
9 the State and County Fair Assistance Fund annually. No moneys
10 shall be expended from the State and County Fair Assistance
11 Fund except as appropriated by the General Assembly. Deposits
12 made pursuant to this subsection (b-7) shall supplement, and
13 not supplant, other State funding for these purposes.

14 The Department of Agriculture shall award grants from
15 moneys appropriated from the State and County Fair Assistance
16 Fund for the development, expansion, or support of county fairs
17 that showcase Illinois agriculture products or byproducts. No
18 grant may exceed \$100,000. Not more than one grant under this
19 Section may be made to any one county fair board. Additionally,
20 grants under this subsection (b-7) shall be available to the
21 Illinois State Fair and the DuQuoin State Fair.

22 (b-8) Beginning on the effective date of this amendatory
23 Act of the 97th General Assembly, from the tax revenue
24 deposited in the State Gaming Fund under this Section, \$250,000
25 shall be deposited annually into the Illinois Racing Quarter
26 Horse Breeders Fund.

1 (b-10) Beginning on the effective date of this amendatory
2 Act of the 97th General Assembly, from the tax revenue
3 deposited in the State Gaming Fund under this Section, an
4 amount equal to 10% of the wagering taxes paid by the
5 riverboats and casino created pursuant to subsection (e-5) of
6 Section 7 shall be paid into the Depressed Communities Economic
7 Development Fund annually.

8 (b-11) Beginning on the effective date of this amendatory
9 Act of the 97th General Assembly, from the tax revenue
10 deposited in the State Gaming Fund under this Section, \$150,000
11 shall be paid annually to a county forest preserve district for
12 the maintenance of a botanic garden that was created by Section
13 43 of the Cook County Forest Preserve District Act.

14 (b-12) Beginning on the effective date of this amendatory
15 Act of the 97th General Assembly, from the tax revenue
16 deposited in the State Gaming Fund from electronic gaming under
17 this Section, (i) \$10,000,000 shall be deposited annually into
18 the Partners for Conservation Fund for grants to soil and water
19 conservation districts, (ii) \$1,000,000 shall be deposited
20 annually into the Illinois Forestry Fund for costs associated
21 with the CREP Forestry Assistance Program, (iii) \$2,500,000
22 shall be deposited annually into the Illinois Historic Sites
23 Fund for costs associated with the State's historic sites, (iv)
24 \$2,500,000 shall be deposited annually into the Parks and
25 Conservation Fund for costs associated with the State's state
26 parks, and (v) \$4,000,000 shall be deposited annually into the

1 State Cooperative Service Trust Fund for grants to the State's
2 cooperative extensions. Deposits made pursuant to this
3 subsection (b-12) shall supplement, and not supplant, other
4 State funding for these purposes.

5 (b-15) Beginning on the effective date of this amendatory
6 Act of the 97th General Assembly and ending July 1, 2014, from
7 the tax revenue deposited in the State Gaming Fund under this
8 Section, \$2,000,000 shall be deposited annually into the
9 Foreclosure Prevention Program Fund.

10 (c) Appropriations, as approved by the General Assembly,
11 may be made from the State Gaming Fund to the Board (i) for the
12 administration and enforcement of this Act and the Video Gaming
13 Act, (ii) for distribution to the Department of State Police
14 and to the Department of Revenue for the enforcement of this
15 Act, and (iii) to the Department of Human Services for the
16 administration of programs to treat problem gambling. From the
17 tax revenue deposited in the State Gaming Fund under this
18 Section, \$10,000,000 shall be paid annually to the Department
19 of Human Services for the administration of programs to treat
20 problem gambling. The Board's annual appropriations request
21 must separately state its funding needs for the regulation of
22 electronic gaming, riverboat gaming, casino gaming within the
23 City of Chicago, and video gaming.

24 (c-3) Appropriations, as approved by the General Assembly,
25 may be made from the tax revenue deposited into the State
26 Gaming Fund from electronic gaming pursuant to this Section for

1 the administration and enforcement of this Act.

2 (c-4) After payments required under subsection (b-5),
3 (b-6), (b-7), (b-8), (b-10), (b-11), (b-12), (c), and (c-3)
4 have been made from the tax revenue from electronic gaming
5 deposited into the State Gaming Fund under this Section, all
6 remaining amounts from electronic gaming shall be deposited
7 into the Capital Projects Fund.

8 ~~(c-5) (Blank). Before May 26, 2006 (the effective date of~~
9 ~~Public Act 94-804) and beginning on the effective date of this~~
10 ~~amendatory Act of the 95th General Assembly, unless any~~
11 ~~organization licensee under the Illinois Horse Racing Act of~~
12 ~~1975 begins to operate a slot machine or video game of chance~~
13 ~~under the Illinois Horse Racing Act of 1975 or this Act, after~~
14 ~~the payments required under subsections (b) and (c) have been~~
15 ~~made, an amount equal to 15% of the adjusted gross receipts of~~
16 ~~(1) an owners licensee that relocates pursuant to Section 11.2,~~
17 ~~(2) an owners licensee conducting riverboat gambling~~
18 ~~operations pursuant to an owners license that is initially~~
19 ~~issued after June 25, 1999, or (3) the first riverboat gambling~~
20 ~~operations conducted by a licensed manager on behalf of the~~
21 ~~State under Section 7.3, whichever comes first, shall be paid~~
22 ~~from the State Gaming Fund into the Horse Racing Equity Fund.~~

23 ~~(c-10) (Blank). Each year the General Assembly shall~~
24 ~~appropriate from the General Revenue Fund to the Education~~
25 ~~Assistance Fund an amount equal to the amount paid into the~~
26 ~~Horse Racing Equity Fund pursuant to subsection (c 5) in the~~

1 ~~prior calendar year.~~

2 (c-15) After the payments required under subsections (b),
3 (b-5), (b-6), (b-7), (b-8), (b-10), (b-11), (b-12), and (c),
4 ~~and (c-5)~~ have been made, an amount equal to 2% of the adjusted
5 gross receipts of (1) an owners licensee that relocates
6 pursuant to Section 11.2, (2) an owners licensee conducting
7 riverboat gambling operations pursuant to an owners license
8 that is initially issued after June 25, 1999 and before
9 December 31, 2011, or (3) the first riverboat gambling
10 operations conducted by a licensed manager on behalf of the
11 State under Section 7.3, whichever comes first, shall be paid,
12 subject to appropriation from the General Assembly, from the
13 State Gaming Fund to each home rule county with a population of
14 over 3,000,000 inhabitants for the purpose of enhancing the
15 county's criminal justice system.

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

21 (c-25) After the payments required under subsections (b),
22 (b-5), (b-6), (b-7), (b-8), (b-10), (b-11), (b-12), (c), ~~(c-5)~~
23 and (c-15) have been made, an amount equal to 2% of the
24 adjusted gross receipts of (1) an owners licensee that
25 relocates pursuant to Section 11.2, (2) an owners licensee
26 conducting riverboat gambling operations pursuant to an owners

1 license that is initially issued after June 25, 1999 and before
2 December 31, 2011, or (3) the first riverboat gambling
3 operations conducted by a licensed manager on behalf of the
4 State under Section 7.3, whichever comes first, shall be paid
5 from the State Gaming Fund to Chicago State University.

6 (d) From time to time, the Board shall transfer the
7 remainder of the funds generated by this Act into the Education
8 Assistance Fund, created by Public Act 86-0018, of the State of
9 Illinois.

10 (e) Nothing in this Act shall prohibit the unit of local
11 government designated as the home dock of the riverboat from
12 entering into agreements with other units of local government
13 in this State or in other states to share its portion of the
14 tax revenue.

15 (f) To the extent practicable, the Board shall administer
16 and collect the wagering taxes imposed by this Section in a
17 manner consistent with the provisions of Sections 4, 5, 5a, 5b,
18 5c, 5d, 5e, 5f, 5g, 5i, 5j, 6, 6a, 6b, 6c, 8, 9, and 10 of the
19 Retailers' Occupation Tax Act and Section 3-7 of the Uniform
20 Penalty and Interest Act.

21 (Source: P.A. 95-331, eff. 8-21-07; 95-1008, eff. 12-15-08;
22 96-37, eff. 7-13-09; 96-1392, eff. 1-1-11.)

23 (230 ILCS 10/14) (from Ch. 120, par. 2414)

24 Sec. 14. Licensees - Records - Reports - Supervision.

25 (a) Licensed owners and electronic gaming licensees A

1 ~~licensed owner~~ shall keep ~~his~~ books and records so as to
2 clearly show the following:

3 (1) The amount received daily from admission fees.

4 (2) The total amount of gross receipts.

5 (3) The total amount of the adjusted gross receipts.

6 (b) Licensed owners and electronic gaming licensees ~~The~~
7 ~~licensed owner~~ shall furnish to the Board reports and
8 information as the Board may require with respect to its
9 activities on forms designed and supplied for such purpose by
10 the Board.

11 (c) The books and records kept by a licensed owner as
12 provided by this Section are public records and the
13 examination, publication, and dissemination of the books and
14 records are governed by the provisions of The Freedom of
15 Information Act.

16 (Source: P.A. 86-1029.)

17 (230 ILCS 10/18) (from Ch. 120, par. 2418)

18 Sec. 18. Prohibited Activities - Penalty.

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

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

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

25 (b) A person is guilty of a Class B misdemeanor for doing

1 any of the following:

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

3 or

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

6 (c) A person wagering or accepting a wager at any location
7 outside the riverboat, casino, or electronic gaming facility in
8 violation of paragraph ~~is subject to the penalties in~~
9 ~~paragraphs~~ (1) or (2) of subsection (a) of Section 28-1 of the
10 Criminal Code of 1961 is subject to the penalties provided in
11 that Section.

12 (d) A person commits a Class 4 felony and, in addition,
13 shall be barred for life from gambling operations ~~riverboats~~
14 under the jurisdiction of the Board, if the person does any of
15 the following:

16 (1) Offers, promises, or gives anything of value or
17 benefit to a person who is connected with a riverboat or
18 casino owner or electronic gaming licensee including, but
19 not limited to, an officer or employee of a licensed owner
20 or electronic gaming licensee or holder of an occupational
21 license pursuant to an agreement or arrangement or with the
22 intent that the promise or thing of value or benefit will
23 influence the actions of the person to whom the offer,
24 promise, or gift was made in order to affect or attempt to
25 affect the outcome of a gambling game, or to influence
26 official action of a member of the Board.

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

12 (3) Uses or possesses with the intent to use a device
13 to assist:

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

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

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

18 (iv) In analyzing the strategy for playing or
19 betting to be used in the game except as permitted by
20 the Board.

21 (4) Cheats at a gambling game.

22 (5) Manufactures, sells, or distributes any cards,
23 chips, dice, game or device which is intended to be used to
24 violate any provision of this Act.

25 (6) Alters or misrepresents the outcome of a gambling
26 game on which wagers have been made after the outcome is

1 made sure but before it is revealed to the players.

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

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

13 (9) Uses counterfeit chips or tokens in a gambling
14 game.

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

23 (e) The possession of more than one of the devices
24 described in subsection (d), paragraphs (3), (5), or (10)
25 permits a rebuttable presumption that the possessor intended to
26 use the devices for cheating.

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

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

10 (Source: P.A. 96-1392, eff. 1-1-11.)

11 (230 ILCS 10/19) (from Ch. 120, par. 2419)

12 Sec. 19. Forfeiture of property. (a) Except as provided in
13 subsection (b), any riverboat, casino, or electronic gaming
14 facility used for the conduct of gambling games in violation of
15 this Act shall be considered a gambling place in violation of
16 Section 28-3 of the Criminal Code of 1961, as now or hereafter
17 amended. Every gambling device found on a riverboat, in a
18 casino, or at an electronic gaming facility operating gambling
19 games in violation of this Act and every slot machine and video
20 game of chance found at an electronic gaming facility operating
21 gambling games in violation of this Act shall be subject to
22 seizure, confiscation and destruction as provided in Section
23 28-5 of the Criminal Code of 1961, as now or hereafter amended.

24 (b) It is not a violation of this Act for a riverboat or
25 other watercraft which is licensed for gaming by a contiguous

1 state to dock on the shores of this State if the municipality
2 having jurisdiction of the shores, or the county in the case of
3 unincorporated areas, has granted permission for docking and no
4 gaming is conducted on the riverboat or other watercraft while
5 it is docked on the shores of this State. No gambling device
6 shall be subject to seizure, confiscation or destruction if the
7 gambling device is located on a riverboat or other watercraft
8 which is licensed for gaming by a contiguous state and which is
9 docked on the shores of this State if the municipality having
10 jurisdiction of the shores, or the county in the case of
11 unincorporated areas, has granted permission for docking and no
12 gaming is conducted on the riverboat or other watercraft while
13 it is docked on the shores of this State.

14 (Source: P.A. 86-1029.)

15 (230 ILCS 10/20) (from Ch. 120, par. 2420)

16 Sec. 20. Prohibited activities - civil penalties. Any
17 person who conducts a gambling operation without first
18 obtaining a license to do so, or who continues to conduct such
19 games after revocation of his license, or any licensee who
20 conducts or allows to be conducted any unauthorized gambling
21 games on a riverboat, in a casino, or at an electronic gaming
22 facility where it is authorized to conduct its ~~riverboat~~
23 gambling operation, in addition to other penalties provided,
24 shall be subject to a civil penalty equal to the amount of
25 gross receipts derived from wagering on the gambling games,

1 whether unauthorized or authorized, conducted on that day as
2 well as confiscation and forfeiture of all gambling game
3 equipment used in the conduct of unauthorized gambling games.
4 (Source: P.A. 86-1029.)

5 (230 ILCS 10/23) (from Ch. 120, par. 2423)

6 Sec. 23. The State Gaming Fund. On or after the effective
7 date of this Act, except as provided for payments into the
8 Horse Racing Equity Trust Fund under subsection (a) of Section
9 7, all of the fees and taxes collected pursuant to this Act
10 shall be deposited into the State Gaming Fund, a special fund
11 in the State Treasury, which is hereby created. The adjusted
12 gross receipts of any riverboat gambling operations conducted
13 by a licensed manager on behalf of the State remaining after
14 the payment of the fees and expenses of the licensed manager
15 shall be deposited into the State Gaming Fund. Fines and
16 penalties collected pursuant to this Act shall be deposited
17 into the Education Assistance Fund, created by Public Act
18 86-0018, of the State of Illinois.

19 (Source: P.A. 93-28, eff. 6-20-03; 94-804, eff. 5-26-06.)

20 Section 90-43. The Video Gaming Act is amended by adding
21 Section 47 and by adding Section 81 as follows:

22 (230 ILCS 40/47 new)

23 Sec. 47. Provisional licensure as a licensed

1 establishment, licensed truck stop establishment, licensed
2 fraternal establishment, or licensed veterans establishment.

3 (a) Within 60 days after the effective date of this
4 amendatory Act of the 97th General Assembly, the Board shall
5 make applications for licensure as a licensed establishment,
6 licensed truck stop establishment, licensed fraternal
7 establishment, or licensed veterans establishment available to
8 applicants.

9 (b) The Board shall issue a provisional license to an
10 applicant for licensure as a licensed establishment, licensed
11 truck stop establishment, licensed fraternal establishment, or
12 licensed veterans establishment if the applicant has not been
13 previously issued a license under Section 45 of this Act and
14 satisfies, as determined by the Board, all of the following
15 criteria:

16 (1) the applicant has never been convicted of a felony;

17 (2) the applicant is current on all State and federal
18 taxes;

19 (3) the applicant has submitted a completed
20 application for licensure as a licensed establishment,
21 licensed truck stop establishment, licensed fraternal
22 establishment, or licensed veterans establishment, which
23 may be submitted concurrently with the applicant's request
24 for a provisional license;

25 (4) the applicant has (A) held a valid liquor license
26 under the Liquor Control Act of 1934 since at least July

1 13, 2009 and has never had its liquor license revoked, (B)
2 provides proof of a valid charitable games license under
3 the Charitable Games Act, or (C) provides proof of a valid
4 license as an agent under the Illinois Lottery Law;

5 (5) the applicant has never been convicted of any
6 violation of Article 28 of the Criminal Code of 1961 or
7 similar laws in other jurisdictions; and

8 (6) the applicant furnishes the results of a State and
9 federal background check performed by the Illinois State
10 Police.

11 (c) The Board shall issue a provisional license to an
12 applicant for licensure as a licensed establishment, licensed
13 truck stop establishment, licensed fraternal establishment, or
14 licensed veterans establishment within 60 days after such
15 application has been received by the Board, provided that the
16 Board has determined that the criteria contained in subsection
17 (b) of this Section has been satisfied. If the Board has
18 determined that the criteria contained in subsection (b) of
19 this Section has not been satisfied, then the Board shall give
20 a written explanation to the applicant as to why it has
21 determined the criteria has not been satisfied.

22 (d) A provisional license shall be valid until one of the
23 following occurs:

24 (1) the Board either approves or denies the applicant's
25 application for licensure;

26 (2) the provisional license is terminated for a

1 violation of this Act; or

2 (3) one calendar year has passed since the provisional
3 license was issued.

4 If the Board has not yet acted upon the application for
5 licensure as a licensed establishment, licensed truck stop
6 establishment, licensed fraternal establishment, or licensed
7 veterans establishment within 60 days after the expiration of a
8 provisional license, then the applicant may apply for a renewal
9 of the provisional license.

10 (e) Each applicant must attest by way of affidavit under
11 penalty of perjury that the applicant is not otherwise
12 prohibited from licensure according to the requirements of this
13 Section or any other provision of this Act.

14 (f) All requests for provisional licensure must include a
15 payment of a \$100 fee, which is in addition to the applicable
16 fee required for an application for licensure as a licensed
17 establishment, licensed truck stop establishment, licensed
18 fraternal establishment, or licensed veterans establishment.
19 If the Board has not acted upon a request for provisional
20 licensure within 60 days after receipt of the request, then the
21 request shall be deemed approved and the Board must issue the
22 applicant a provisional license as a licensed establishment,
23 licensed truck stop establishment, licensed fraternal
24 establishment, or licensed veterans establishment.

1 Sec. 81. Emergency rules. Within 120 days after the
2 effective date of this amendatory Act of the 97th General
3 Assembly, the Board shall adopt emergency rules to administer
4 this Act in accordance with Section 5-45 of the Illinois
5 Administrative Procedure Act. For the purposes of the Illinois
6 Administrative Procedure Act, the General Assembly finds that
7 the adoption of rules to implement this Act is deemed an
8 emergency and necessary to the public interest, safety, and
9 welfare.

10 Section 90-45. The Liquor Control Act of 1934 is amended by
11 changing Sections 5-1 and 6-30 as follows:

12 (235 ILCS 5/5-1) (from Ch. 43, par. 115)

13 Sec. 5-1. Licenses issued by the Illinois Liquor Control
14 Commission shall be of the following classes:

15 (a) Manufacturer's license - Class 1. Distiller, Class 2.
16 Rectifier, Class 3. Brewer, Class 4. First Class Wine
17 Manufacturer, Class 5. Second Class Wine Manufacturer, Class 6.
18 First Class Winemaker, Class 7. Second Class Winemaker, Class
19 8. Limited Wine Manufacturer, Class 9. Craft Distiller,

20 (b) Distributor's license,

21 (c) Importing Distributor's license,

22 (d) Retailer's license,

23 (e) Special Event Retailer's license (not-for-profit),

24 (f) Railroad license,

- 1 (g) Boat license,
- 2 (h) Non-Beverage User's license,
- 3 (i) Wine-maker's premises license,
- 4 (j) Airplane license,
- 5 (k) Foreign importer's license,
- 6 (l) Broker's license,
- 7 (m) Non-resident dealer's license,
- 8 (n) Brew Pub license,
- 9 (o) Auction liquor license,
- 10 (p) Caterer retailer license,
- 11 (q) Special use permit license,
- 12 (r) Winery shipper's license.

13 No person, firm, partnership, corporation, or other legal
14 business entity that is engaged in the manufacturing of wine
15 may concurrently obtain and hold a wine-maker's license and a
16 wine manufacturer's license.

17 (a) A manufacturer's license shall allow the manufacture,
18 importation in bulk, storage, distribution and sale of
19 alcoholic liquor to persons without the State, as may be
20 permitted by law and to licensees in this State as follows:

21 Class 1. A Distiller may make sales and deliveries of
22 alcoholic liquor to distillers, rectifiers, importing
23 distributors, distributors and non-beverage users and to no
24 other licensees.

25 Class 2. A Rectifier, who is not a distiller, as defined
26 herein, may make sales and deliveries of alcoholic liquor to

1 rectifiers, importing distributors, distributors, retailers
2 and non-beverage users and to no other licensees.

3 Class 3. A Brewer may make sales and deliveries of beer to
4 importing distributors, distributors, and to non-licensees,
5 and to retailers provided the brewer obtains an importing
6 distributor's license or distributor's license in accordance
7 with the provisions of this Act.

8 Class 4. A first class wine-manufacturer may make sales and
9 deliveries of up to 50,000 gallons of wine to manufacturers,
10 importing distributors and distributors, and to no other
11 licensees.

12 Class 5. A second class Wine manufacturer may make sales
13 and deliveries of more than 50,000 gallons of wine to
14 manufacturers, importing distributors and distributors and to
15 no other licensees.

16 Class 6. A first-class wine-maker's license shall allow the
17 manufacture of up to 50,000 gallons of wine per year, and the
18 storage and sale of such wine to distributors in the State and
19 to persons without the State, as may be permitted by law. A
20 person who, prior to the effective date of this amendatory Act
21 of the 95th General Assembly, is a holder of a first-class
22 wine-maker's license and annually produces more than 25,000
23 gallons of its own wine and who distributes its wine to
24 licensed retailers shall cease this practice on or before July
25 1, 2008 in compliance with this amendatory Act of the 95th
26 General Assembly.

1 Class 7. A second-class wine-maker's license shall allow
2 the manufacture of between 50,000 and 150,000 gallons of wine
3 per year, and the storage and sale of such wine to distributors
4 in this State and to persons without the State, as may be
5 permitted by law. A person who, prior to the effective date of
6 this amendatory Act of the 95th General Assembly, is a holder
7 of a second-class wine-maker's license and annually produces
8 more than 25,000 gallons of its own wine and who distributes
9 its wine to licensed retailers shall cease this practice on or
10 before July 1, 2008 in compliance with this amendatory Act of
11 the 95th General Assembly.

12 Class 8. A limited wine-manufacturer may make sales and
13 deliveries not to exceed 40,000 gallons of wine per year to
14 distributors, and to non-licensees in accordance with the
15 provisions of this Act.

16 Class 9. A craft distiller license shall allow the
17 manufacture of up to 5,000 gallons of spirits by distillation
18 per year and the storage of such spirits. If a craft distiller
19 licensee is not affiliated with any other manufacturer, then
20 the craft distiller licensee may sell such spirits to
21 distributors in this State and non-licensees to the extent
22 permitted by any exemption approved by the Commission pursuant
23 to Section 6-4 of this Act.

24 Any craft distiller licensed under this Act who on the
25 effective date of this amendatory Act of the 96th General
26 Assembly was licensed as a distiller and manufactured no more

1 spirits than permitted by this Section shall not be required to
2 pay the initial licensing fee.

3 (a-1) A manufacturer which is licensed in this State to
4 make sales or deliveries of alcoholic liquor and which enlists
5 agents, representatives, or individuals acting on its behalf
6 who contact licensed retailers on a regular and continual basis
7 in this State must register those agents, representatives, or
8 persons acting on its behalf with the State Commission.

9 Registration of agents, representatives, or persons acting
10 on behalf of a manufacturer is fulfilled by submitting a form
11 to the Commission. The form shall be developed by the
12 Commission and shall include the name and address of the
13 applicant, the name and address of the manufacturer he or she
14 represents, the territory or areas assigned to sell to or
15 discuss pricing terms of alcoholic liquor, and any other
16 questions deemed appropriate and necessary. All statements in
17 the forms required to be made by law or by rule shall be deemed
18 material, and any person who knowingly misstates any material
19 fact under oath in an application is guilty of a Class B
20 misdemeanor. Fraud, misrepresentation, false statements,
21 misleading statements, evasions, or suppression of material
22 facts in the securing of a registration are grounds for
23 suspension or revocation of the registration.

24 (b) A distributor's license shall allow the wholesale
25 purchase and storage of alcoholic liquors and sale of alcoholic
26 liquors to licensees in this State and to persons without the

1 State, as may be permitted by law.

2 (c) An importing distributor's license may be issued to and
3 held by those only who are duly licensed distributors, upon the
4 filing of an application by a duly licensed distributor, with
5 the Commission and the Commission shall, without the payment of
6 any fee, immediately issue such importing distributor's
7 license to the applicant, which shall allow the importation of
8 alcoholic liquor by the licensee into this State from any point
9 in the United States outside this State, and the purchase of
10 alcoholic liquor in barrels, casks or other bulk containers and
11 the bottling of such alcoholic liquors before resale thereof,
12 but all bottles or containers so filled shall be sealed,
13 labeled, stamped and otherwise made to comply with all
14 provisions, rules and regulations governing manufacturers in
15 the preparation and bottling of alcoholic liquors. The
16 importing distributor's license shall permit such licensee to
17 purchase alcoholic liquor from Illinois licensed non-resident
18 dealers and foreign importers only.

19 (d) A retailer's license shall allow the licensee to sell
20 and offer for sale at retail, only in the premises specified in
21 the license, alcoholic liquor for use or consumption, but not
22 for resale in any form. Nothing in this amendatory Act of the
23 95th General Assembly shall deny, limit, remove, or restrict
24 the ability of a holder of a retailer's license to transfer,
25 deliver, or ship alcoholic liquor to the purchaser for use or
26 consumption subject to any applicable local law or ordinance.

1 Any retail license issued to a manufacturer shall only permit
2 the manufacturer to sell beer at retail on the premises
3 actually occupied by the manufacturer. For the purpose of
4 further describing the type of business conducted at a retail
5 licensed premises, a retailer's licensee may be designated by
6 the State Commission as (i) an on premise consumption retailer,
7 (ii) an off premise sale retailer, or (iii) a combined on
8 premise consumption and off premise sale retailer.

9 Notwithstanding any other provision of this subsection
10 (d), a retail licensee may sell alcoholic liquors to a special
11 event retailer licensee for resale to the extent permitted
12 under subsection (e).

13 (e) A special event retailer's license (not-for-profit)
14 shall permit the licensee to purchase alcoholic liquors from an
15 Illinois licensed distributor (unless the licensee purchases
16 less than \$500 of alcoholic liquors for the special event, in
17 which case the licensee may purchase the alcoholic liquors from
18 a licensed retailer) and shall allow the licensee to sell and
19 offer for sale, at retail, alcoholic liquors for use or
20 consumption, but not for resale in any form and only at the
21 location and on the specific dates designated for the special
22 event in the license. An applicant for a special event retailer
23 license must (i) furnish with the application: (A) a resale
24 number issued under Section 2c of the Retailers' Occupation Tax
25 Act or evidence that the applicant is registered under Section
26 2a of the Retailers' Occupation Tax Act, (B) a current, valid

1 exemption identification number issued under Section 1g of the
2 Retailers' Occupation Tax Act, and a certification to the
3 Commission that the purchase of alcoholic liquors will be a
4 tax-exempt purchase, or (C) a statement that the applicant is
5 not registered under Section 2a of the Retailers' Occupation
6 Tax Act, does not hold a resale number under Section 2c of the
7 Retailers' Occupation Tax Act, and does not hold an exemption
8 number under Section 1g of the Retailers' Occupation Tax Act,
9 in which event the Commission shall set forth on the special
10 event retailer's license a statement to that effect; (ii)
11 submit with the application proof satisfactory to the State
12 Commission that the applicant will provide dram shop liability
13 insurance in the maximum limits; and (iii) show proof
14 satisfactory to the State Commission that the applicant has
15 obtained local authority approval.

16 (f) A railroad license shall permit the licensee to import
17 alcoholic liquors into this State from any point in the United
18 States outside this State and to store such alcoholic liquors
19 in this State; to make wholesale purchases of alcoholic liquors
20 directly from manufacturers, foreign importers, distributors
21 and importing distributors from within or outside this State;
22 and to store such alcoholic liquors in this State; provided
23 that the above powers may be exercised only in connection with
24 the importation, purchase or storage of alcoholic liquors to be
25 sold or dispensed on a club, buffet, lounge or dining car
26 operated on an electric, gas or steam railway in this State;

1 and provided further, that railroad licensees exercising the
2 above powers shall be subject to all provisions of Article VIII
3 of this Act as applied to importing distributors. A railroad
4 license shall also permit the licensee to sell or dispense
5 alcoholic liquors on any club, buffet, lounge or dining car
6 operated on an electric, gas or steam railway regularly
7 operated by a common carrier in this State, but shall not
8 permit the sale for resale of any alcoholic liquors to any
9 licensee within this State. A license shall be obtained for
10 each car in which such sales are made.

11 (g) A boat license shall allow the sale of alcoholic liquor
12 in individual drinks, on any passenger boat regularly operated
13 as a common carrier on navigable waters in this State or on any
14 riverboat operated under the Illinois ~~Riverboat~~ Gambling Act,
15 which boat or riverboat maintains a public dining room or
16 restaurant thereon.

17 (h) A non-beverage user's license shall allow the licensee
18 to purchase alcoholic liquor from a licensed manufacturer or
19 importing distributor, without the imposition of any tax upon
20 the business of such licensed manufacturer or importing
21 distributor as to such alcoholic liquor to be used by such
22 licensee solely for the non-beverage purposes set forth in
23 subsection (a) of Section 8-1 of this Act, and such licenses
24 shall be divided and classified and shall permit the purchase,
25 possession and use of limited and stated quantities of
26 alcoholic liquor as follows:

- 1 Class 1, not to exceed 500 gallons
- 2 Class 2, not to exceed 1,000 gallons
- 3 Class 3, not to exceed 5,000 gallons
- 4 Class 4, not to exceed 10,000 gallons
- 5 Class 5, not to exceed 50,000 gallons

6 (i) A wine-maker's premises license shall allow a licensee
7 that concurrently holds a first-class wine-maker's license to
8 sell and offer for sale at retail in the premises specified in
9 such license not more than 50,000 gallons of the first-class
10 wine-maker's wine that is made at the first-class wine-maker's
11 licensed premises per year for use or consumption, but not for
12 resale in any form. A wine-maker's premises license shall allow
13 a licensee who concurrently holds a second-class wine-maker's
14 license to sell and offer for sale at retail in the premises
15 specified in such license up to 100,000 gallons of the
16 second-class wine-maker's wine that is made at the second-class
17 wine-maker's licensed premises per year for use or consumption
18 but not for resale in any form. A wine-maker's premises license
19 shall allow a licensee that concurrently holds a first-class
20 wine-maker's license or a second-class wine-maker's license to
21 sell and offer for sale at retail at the premises specified in
22 the wine-maker's premises license, for use or consumption but
23 not for resale in any form, any beer, wine, and spirits
24 purchased from a licensed distributor. Upon approval from the
25 State Commission, a wine-maker's premises license shall allow
26 the licensee to sell and offer for sale at (i) the wine-maker's

1 licensed premises and (ii) at up to 2 additional locations for
2 use and consumption and not for resale. Each location shall
3 require additional licensing per location as specified in
4 Section 5-3 of this Act. A wine-maker's premises licensee shall
5 secure liquor liability insurance coverage in an amount at
6 least equal to the maximum liability amounts set forth in
7 subsection (a) of Section 6-21 of this Act.

8 (j) An airplane license shall permit the licensee to import
9 alcoholic liquors into this State from any point in the United
10 States outside this State and to store such alcoholic liquors
11 in this State; to make wholesale purchases of alcoholic liquors
12 directly from manufacturers, foreign importers, distributors
13 and importing distributors from within or outside this State;
14 and to store such alcoholic liquors in this State; provided
15 that the above powers may be exercised only in connection with
16 the importation, purchase or storage of alcoholic liquors to be
17 sold or dispensed on an airplane; and provided further, that
18 airplane licensees exercising the above powers shall be subject
19 to all provisions of Article VIII of this Act as applied to
20 importing distributors. An airplane licensee shall also permit
21 the sale or dispensing of alcoholic liquors on any passenger
22 airplane regularly operated by a common carrier in this State,
23 but shall not permit the sale for resale of any alcoholic
24 liquors to any licensee within this State. A single airplane
25 license shall be required of an airline company if liquor
26 service is provided on board aircraft in this State. The annual

1 fee for such license shall be as determined in Section 5-3.

2 (k) A foreign importer's license shall permit such licensee
3 to purchase alcoholic liquor from Illinois licensed
4 non-resident dealers only, and to import alcoholic liquor other
5 than in bulk from any point outside the United States and to
6 sell such alcoholic liquor to Illinois licensed importing
7 distributors and to no one else in Illinois; provided that (i)
8 the foreign importer registers with the State Commission every
9 brand of alcoholic liquor that it proposes to sell to Illinois
10 licensees during the license period, (ii) the foreign importer
11 complies with all of the provisions of Section 6-9 of this Act
12 with respect to registration of such Illinois licensees as may
13 be granted the right to sell such brands at wholesale, and
14 (iii) the foreign importer complies with the provisions of
15 Sections 6-5 and 6-6 of this Act to the same extent that these
16 provisions apply to manufacturers.

17 (l) (i) A broker's license shall be required of all persons
18 who solicit orders for, offer to sell or offer to supply
19 alcoholic liquor to retailers in the State of Illinois, or who
20 offer to retailers to ship or cause to be shipped or to make
21 contact with distillers, rectifiers, brewers or manufacturers
22 or any other party within or without the State of Illinois in
23 order that alcoholic liquors be shipped to a distributor,
24 importing distributor or foreign importer, whether such
25 solicitation or offer is consummated within or without the
26 State of Illinois.

1 No holder of a retailer's license issued by the Illinois
2 Liquor Control Commission shall purchase or receive any
3 alcoholic liquor, the order for which was solicited or offered
4 for sale to such retailer by a broker unless the broker is the
5 holder of a valid broker's license.

6 The broker shall, upon the acceptance by a retailer of the
7 broker's solicitation of an order or offer to sell or supply or
8 deliver or have delivered alcoholic liquors, promptly forward
9 to the Illinois Liquor Control Commission a notification of
10 said transaction in such form as the Commission may by
11 regulations prescribe.

12 (ii) A broker's license shall be required of a person
13 within this State, other than a retail licensee, who, for a fee
14 or commission, promotes, solicits, or accepts orders for
15 alcoholic liquor, for use or consumption and not for resale, to
16 be shipped from this State and delivered to residents outside
17 of this State by an express company, common carrier, or
18 contract carrier. This Section does not apply to any person who
19 promotes, solicits, or accepts orders for wine as specifically
20 authorized in Section 6-29 of this Act.

21 A broker's license under this subsection (1) shall not
22 entitle the holder to buy or sell any alcoholic liquors for his
23 own account or to take or deliver title to such alcoholic
24 liquors.

25 This subsection (1) shall not apply to distributors,
26 employees of distributors, or employees of a manufacturer who

1 has registered the trademark, brand or name of the alcoholic
2 liquor pursuant to Section 6-9 of this Act, and who regularly
3 sells such alcoholic liquor in the State of Illinois only to
4 its registrants thereunder.

5 Any agent, representative, or person subject to
6 registration pursuant to subsection (a-1) of this Section shall
7 not be eligible to receive a broker's license.

8 (m) A non-resident dealer's license shall permit such
9 licensee to ship into and warehouse alcoholic liquor into this
10 State from any point outside of this State, and to sell such
11 alcoholic liquor to Illinois licensed foreign importers and
12 importing distributors and to no one else in this State;
13 provided that (i) said non-resident dealer shall register with
14 the Illinois Liquor Control Commission each and every brand of
15 alcoholic liquor which it proposes to sell to Illinois
16 licensees during the license period, (ii) it shall comply with
17 all of the provisions of Section 6-9 hereof with respect to
18 registration of such Illinois licensees as may be granted the
19 right to sell such brands at wholesale, and (iii) the
20 non-resident dealer shall comply with the provisions of
21 Sections 6-5 and 6-6 of this Act to the same extent that these
22 provisions apply to manufacturers.

23 (n) A brew pub license shall allow the licensee to
24 manufacture beer only on the premises specified in the license,
25 to make sales of the beer manufactured on the premises to
26 importing distributors, distributors, and to non-licensees for

1 use and consumption, to store the beer upon the premises, and
2 to sell and offer for sale at retail from the licensed
3 premises, provided that a brew pub licensee shall not sell for
4 off-premises consumption more than 50,000 gallons per year.

5 (o) A caterer retailer license shall allow the holder to
6 serve alcoholic liquors as an incidental part of a food service
7 that serves prepared meals which excludes the serving of snacks
8 as the primary meal, either on or off-site whether licensed or
9 unlicensed.

10 (p) An auction liquor license shall allow the licensee to
11 sell and offer for sale at auction wine and spirits for use or
12 consumption, or for resale by an Illinois liquor licensee in
13 accordance with provisions of this Act. An auction liquor
14 license will be issued to a person and it will permit the
15 auction liquor licensee to hold the auction anywhere in the
16 State. An auction liquor license must be obtained for each
17 auction at least 14 days in advance of the auction date.

18 (q) A special use permit license shall allow an Illinois
19 licensed retailer to transfer a portion of its alcoholic liquor
20 inventory from its retail licensed premises to the premises
21 specified in the license hereby created, and to sell or offer
22 for sale at retail, only in the premises specified in the
23 license hereby created, the transferred alcoholic liquor for
24 use or consumption, but not for resale in any form. A special
25 use permit license may be granted for the following time
26 periods: one day or less; 2 or more days to a maximum of 15 days

1 per location in any 12 month period. An applicant for the
2 special use permit license must also submit with the
3 application proof satisfactory to the State Commission that the
4 applicant will provide dram shop liability insurance to the
5 maximum limits and have local authority approval.

6 (r) A winery shipper's license shall allow a person with a
7 first-class or second-class wine manufacturer's license, a
8 first-class or second-class wine-maker's license, or a limited
9 wine manufacturer's license or who is licensed to make wine
10 under the laws of another state to ship wine made by that
11 licensee directly to a resident of this State who is 21 years
12 of age or older for that resident's personal use and not for
13 resale. Prior to receiving a winery shipper's license, an
14 applicant for the license must provide the Commission with a
15 true copy of its current license in any state in which it is
16 licensed as a manufacturer of wine. An applicant for a winery
17 shipper's license must also complete an application form that
18 provides any other information the Commission deems necessary.
19 The application form shall include an acknowledgement
20 consenting to the jurisdiction of the Commission, the Illinois
21 Department of Revenue, and the courts of this State concerning
22 the enforcement of this Act and any related laws, rules, and
23 regulations, including authorizing the Department of Revenue
24 and the Commission to conduct audits for the purpose of
25 ensuring compliance with this amendatory Act.

26 A winery shipper licensee must pay to the Department of

1 Revenue the State liquor gallonage tax under Section 8-1 for
2 all wine that is sold by the licensee and shipped to a person
3 in this State. For the purposes of Section 8-1, a winery
4 shipper licensee shall be taxed in the same manner as a
5 manufacturer of wine. A licensee who is not otherwise required
6 to register under the Retailers' Occupation Tax Act must
7 register under the Use Tax Act to collect and remit use tax to
8 the Department of Revenue for all gallons of wine that are sold
9 by the licensee and shipped to persons in this State. If a
10 licensee fails to remit the tax imposed under this Act in
11 accordance with the provisions of Article VIII of this Act, the
12 winery shipper's license shall be revoked in accordance with
13 the provisions of Article VII of this Act. If a licensee fails
14 to properly register and remit tax under the Use Tax Act or the
15 Retailers' Occupation Tax Act for all wine that is sold by the
16 winery shipper and shipped to persons in this State, the winery
17 shipper's license shall be revoked in accordance with the
18 provisions of Article VII of this Act.

19 A winery shipper licensee must collect, maintain, and
20 submit to the Commission on a semi-annual basis the total
21 number of cases per resident of wine shipped to residents of
22 this State. A winery shipper licensed under this subsection (r)
23 must comply with the requirements of Section 6-29 of this
24 amendatory Act.

25 (Source: P.A. 95-331, eff. 8-21-07; 95-634, eff. 6-1-08;
26 95-769, eff. 7-29-08; 96-1367, eff. 7-28-10.)

1 (235 ILCS 5/6-30) (from Ch. 43, par. 144f)

2 Sec. 6-30. Notwithstanding any other provision of this Act,
3 the Illinois Gaming Board shall have exclusive authority to
4 establish the hours for sale and consumption of alcoholic
5 liquor on board a riverboat during riverboat gambling
6 excursions and in a casino conducted in accordance with the
7 Illinois Riverboat Gambling Act.

8 (Source: P.A. 87-826.)

9 Section 90-50. The Criminal Code of 1961 is amended by
10 changing Sections 28-1, 28-1.1, 28-3, 28-5, and 28-7 as
11 follows:

12 (720 ILCS 5/28-1) (from Ch. 38, par. 28-1)

13 Sec. 28-1. Gambling.

14 (a) A person commits gambling when he:

15 (1) Plays a game of chance or skill for money or other
16 thing of value, unless excepted in subsection (b) of this
17 Section; or

18 (2) Makes a wager upon the result of any game, contest,
19 or any political nomination, appointment or election; or

20 (3) Operates, keeps, owns, uses, purchases, exhibits,
21 rents, sells, bargains for the sale or lease of,
22 manufactures or distributes any gambling device; or

23 (4) Contracts to have or give himself or another the

1 option to buy or sell, or contracts to buy or sell, at a
2 future time, any grain or other commodity whatsoever, or
3 any stock or security of any company, where it is at the
4 time of making such contract intended by both parties
5 thereto that the contract to buy or sell, or the option,
6 whenever exercised, or the contract resulting therefrom,
7 shall be settled, not by the receipt or delivery of such
8 property, but by the payment only of differences in prices
9 thereof; however, the issuance, purchase, sale, exercise,
10 endorsement or guarantee, by or through a person registered
11 with the Secretary of State pursuant to Section 8 of the
12 Illinois Securities Law of 1953, or by or through a person
13 exempt from such registration under said Section 8, of a
14 put, call, or other option to buy or sell securities which
15 have been registered with the Secretary of State or which
16 are exempt from such registration under Section 3 of the
17 Illinois Securities Law of 1953 is not gambling within the
18 meaning of this paragraph (4); or

19 (5) Knowingly owns or possesses any book, instrument or
20 apparatus by means of which bets or wagers have been, or
21 are, recorded or registered, or knowingly possesses any
22 money which he has received in the course of a bet or
23 wager; or

24 (6) Sells pools upon the result of any game or contest
25 of skill or chance, political nomination, appointment or
26 election; or

1 (7) Sets up or promotes any lottery or sells, offers to
2 sell or transfers any ticket or share for any lottery; or

3 (8) Sets up or promotes any policy game or sells,
4 offers to sell or knowingly possesses or transfers any
5 policy ticket, slip, record, document or other similar
6 device; or

7 (9) Knowingly drafts, prints or publishes any lottery
8 ticket or share, or any policy ticket, slip, record,
9 document or similar device, except for such activity
10 related to lotteries, bingo games and raffles authorized by
11 and conducted in accordance with the laws of Illinois or
12 any other state or foreign government; or

13 (10) Knowingly advertises any lottery or policy game,
14 except for such activity related to lotteries, bingo games
15 and raffles authorized by and conducted in accordance with
16 the laws of Illinois or any other state; or

17 (11) Knowingly transmits information as to wagers,
18 betting odds, or changes in betting odds by telephone,
19 telegraph, radio, semaphore or similar means; or knowingly
20 installs or maintains equipment for the transmission or
21 receipt of such information; except that nothing in this
22 subdivision (11) prohibits transmission or receipt of such
23 information for use in news reporting of sporting events or
24 contests; or

25 (12) Knowingly establishes, maintains, or operates an
26 Internet site that permits a person to play a game of

1 chance or skill for money or other thing of value by means
2 of the Internet or to make a wager upon the result of any
3 game, contest, political nomination, appointment, or
4 election by means of the Internet. This item (12) does not
5 apply to activities referenced in items (6) and (6.1) of
6 subsection (b) of this Section.

7 (b) Participants in any of the following activities shall
8 not be convicted of gambling therefor:

9 (1) Agreements to compensate for loss caused by the
10 happening of chance including without limitation contracts
11 of indemnity or guaranty and life or health or accident
12 insurance.

13 (2) Offers of prizes, award or compensation to the
14 actual contestants in any bona fide contest for the
15 determination of skill, speed, strength or endurance or to
16 the owners of animals or vehicles entered in such contest.

17 (3) Pari-mutuel betting as authorized by the law of
18 this State.

19 (4) Manufacture of gambling devices, including the
20 acquisition of essential parts therefor and the assembly
21 thereof, for transportation in interstate or foreign
22 commerce to any place outside this State when such
23 transportation is not prohibited by any applicable Federal
24 law; or the manufacture, distribution, or possession of
25 video gaming terminals, as defined in the Video Gaming Act,
26 by manufacturers, distributors, and terminal operators

1 licensed to do so under the Video Gaming Act.

2 (5) The game commonly known as "bingo", when conducted
3 in accordance with the Bingo License and Tax Act.

4 (6) Lotteries when conducted by the State of Illinois
5 in accordance with the Illinois Lottery Law. This exemption
6 includes any activity conducted by the Department of
7 Revenue to sell lottery tickets pursuant to the provisions
8 of the Illinois Lottery Law and its rules.

9 (6.1) The purchase of lottery tickets through the
10 Internet for a lottery conducted by the State of Illinois
11 under the program established in Section 7.12 of the
12 Illinois Lottery Law.

13 (7) Possession of an antique slot machine that is
14 neither used nor intended to be used in the operation or
15 promotion of any unlawful gambling activity or enterprise.
16 For the purpose of this subparagraph (b) (7), an antique
17 slot machine is one manufactured 25 years ago or earlier.

18 (8) Raffles when conducted in accordance with the
19 Raffles Act.

20 (9) Charitable games when conducted in accordance with
21 the Charitable Games Act.

22 (10) Pull tabs and jar games when conducted under the
23 Illinois Pull Tabs and Jar Games Act.

24 (11) Gambling games ~~conducted on riverboats~~ when
25 authorized by the Illinois ~~Riverboat~~ Gambling Act.

26 (12) Video gaming terminal games at a licensed

1 establishment, licensed truck stop establishment, licensed
2 fraternal establishment, or licensed veterans
3 establishment when conducted in accordance with the Video
4 Gaming Act.

5 (13) Games of skill or chance where money or other
6 things of value can be won but no payment or purchase is
7 required to participate.

8 (c) Sentence.

9 Gambling under subsection (a)(1) or (a)(2) of this Section
10 is a Class A misdemeanor. Gambling under any of subsections
11 (a)(3) through (a)(11) of this Section is a Class A
12 misdemeanor. A second or subsequent conviction under any of
13 subsections (a)(3) through (a)(11), is a Class 4 felony.
14 Gambling under subsection (a)(12) of this Section is a Class A
15 misdemeanor. A second or subsequent conviction under
16 subsection (a)(12) is a Class 4 felony.

17 (d) Circumstantial evidence.

18 In prosecutions under subsection (a)(1) through (a)(12) of
19 this Section circumstantial evidence shall have the same
20 validity and weight as in any criminal prosecution.

21 (Source: P.A. 96-34, eff. 7-13-09; 96-37, eff. 7-13-09;
22 96-1203, eff. 7-22-10.)

23 (720 ILCS 5/28-1.1) (from Ch. 38, par. 28-1.1)

24 Sec. 28-1.1. Syndicated gambling.

25 (a) Declaration of Purpose. Recognizing the close

1 relationship between professional gambling and other organized
2 crime, it is declared to be the policy of the legislature to
3 restrain persons from engaging in the business of gambling for
4 profit in this State. This Section shall be liberally construed
5 and administered with a view to carrying out this policy.

6 (b) A person commits syndicated gambling when he operates a
7 "policy game" or engages in the business of bookmaking.

8 (c) A person "operates a policy game" when he knowingly
9 uses any premises or property for the purpose of receiving or
10 knowingly does receive from what is commonly called "policy":

11 (1) money from a person other than the better or player
12 whose bets or plays are represented by such money; or

13 (2) written "policy game" records, made or used over
14 any period of time, from a person other than the better or
15 player whose bets or plays are represented by such written
16 record.

17 (d) A person engages in bookmaking when he receives or
18 accepts more than five bets or wagers upon the result of any
19 trials or contests of skill, speed or power of endurance or
20 upon any lot, chance, casualty, unknown or contingent event
21 whatsoever, which bets or wagers shall be of such size that the
22 total of the amounts of money paid or promised to be paid to
23 such bookmaker on account thereof shall exceed \$2,000.
24 Bookmaking is the receiving or accepting of such bets or wagers
25 regardless of the form or manner in which the bookmaker records
26 them.

1 (e) Participants in any of the following activities shall
2 not be convicted of syndicated gambling:

3 (1) Agreements to compensate for loss caused by the
4 happening of chance including without limitation contracts
5 of indemnity or guaranty and life or health or accident
6 insurance; and

7 (2) Offers of prizes, award or compensation to the
8 actual contestants in any bona fide contest for the
9 determination of skill, speed, strength or endurance or to
10 the owners of animals or vehicles entered in such contest;
11 and

12 (3) Pari-mutuel betting as authorized by law of this
13 State; and

14 (4) Manufacture of gambling devices, including the
15 acquisition of essential parts therefor and the assembly
16 thereof, for transportation in interstate or foreign
17 commerce to any place outside this State when such
18 transportation is not prohibited by any applicable Federal
19 law; and

20 (5) Raffles when conducted in accordance with the
21 Raffles Act; and

22 (6) Gambling games conducted on riverboats, in
23 casinos, or at electronic gaming facilities when
24 authorized by the Illinois Riverboat Gambling Act; and

25 (7) Video gaming terminal games at a licensed
26 establishment, licensed truck stop establishment, licensed

1 fraternal establishment, or licensed veterans
2 establishment when conducted in accordance with the Video
3 Gaming Act.

4 (f) Sentence. Syndicated gambling is a Class 3 felony.
5 (Source: P.A. 96-34, eff. 7-13-09.)

6 (720 ILCS 5/28-3) (from Ch. 38, par. 28-3)

7 Sec. 28-3. Keeping a Gambling Place. A "gambling place" is
8 any real estate, vehicle, boat or any other property whatsoever
9 used for the purposes of gambling other than gambling conducted
10 in the manner authorized by the Illinois ~~Riverboat~~ Gambling Act
11 or the Video Gaming Act. Any person who knowingly permits any
12 premises or property owned or occupied by him or under his
13 control to be used as a gambling place commits a Class A
14 misdemeanor. Each subsequent offense is a Class 4 felony. When
15 any premises is determined by the circuit court to be a
16 gambling place:

17 (a) Such premises is a public nuisance and may be proceeded
18 against as such, and

19 (b) All licenses, permits or certificates issued by the
20 State of Illinois or any subdivision or public agency thereof
21 authorizing the serving of food or liquor on such premises
22 shall be void; and no license, permit or certificate so
23 cancelled shall be reissued for such premises for a period of
24 60 days thereafter; nor shall any person convicted of keeping a
25 gambling place be reissued such license for one year from his

1 conviction and, after a second conviction of keeping a gambling
2 place, any such person shall not be reissued such license, and

3 (c) Such premises of any person who knowingly permits
4 thereon a violation of any Section of this Article shall be
5 held liable for, and may be sold to pay any unsatisfied
6 judgment that may be recovered and any unsatisfied fine that
7 may be levied under any Section of this Article.

8 (Source: P.A. 96-34, eff. 7-13-09.)

9 (720 ILCS 5/28-5) (from Ch. 38, par. 28-5)

10 Sec. 28-5. Seizure of gambling devices and gambling funds.

11 (a) Every device designed for gambling which is incapable
12 of lawful use or every device used unlawfully for gambling
13 shall be considered a "gambling device", and shall be subject
14 to seizure, confiscation and destruction by the Department of
15 State Police or by any municipal, or other local authority,
16 within whose jurisdiction the same may be found. As used in
17 this Section, a "gambling device" includes any slot machine,
18 and includes any machine or device constructed for the
19 reception of money or other thing of value and so constructed
20 as to return, or to cause someone to return, on chance to the
21 player thereof money, property or a right to receive money or
22 property. With the exception of any device designed for
23 gambling which is incapable of lawful use, no gambling device
24 shall be forfeited or destroyed unless an individual with a
25 property interest in said device knows of the unlawful use of

1 the device.

2 (b) Every gambling device shall be seized and forfeited to
3 the county wherein such seizure occurs. Any money or other
4 thing of value integrally related to acts of gambling shall be
5 seized and forfeited to the county wherein such seizure occurs.

6 (c) If, within 60 days after any seizure pursuant to
7 subparagraph (b) of this Section, a person having any property
8 interest in the seized property is charged with an offense, the
9 court which renders judgment upon such charge shall, within 30
10 days after such judgment, conduct a forfeiture hearing to
11 determine whether such property was a gambling device at the
12 time of seizure. Such hearing shall be commenced by a written
13 petition by the State, including material allegations of fact,
14 the name and address of every person determined by the State to
15 have any property interest in the seized property, a
16 representation that written notice of the date, time and place
17 of such hearing has been mailed to every such person by
18 certified mail at least 10 days before such date, and a request
19 for forfeiture. Every such person may appear as a party and
20 present evidence at such hearing. The quantum of proof required
21 shall be a preponderance of the evidence, and the burden of
22 proof shall be on the State. If the court determines that the
23 seized property was a gambling device at the time of seizure,
24 an order of forfeiture and disposition of the seized property
25 shall be entered: a gambling device shall be received by the
26 State's Attorney, who shall effect its destruction, except that

1 valuable parts thereof may be liquidated and the resultant
2 money shall be deposited in the general fund of the county
3 wherein such seizure occurred; money and other things of value
4 shall be received by the State's Attorney and, upon
5 liquidation, shall be deposited in the general fund of the
6 county wherein such seizure occurred. However, in the event
7 that a defendant raises the defense that the seized slot
8 machine is an antique slot machine described in subparagraph
9 (b) (7) of Section 28-1 of this Code and therefore he is exempt
10 from the charge of a gambling activity participant, the seized
11 antique slot machine shall not be destroyed or otherwise
12 altered until a final determination is made by the Court as to
13 whether it is such an antique slot machine. Upon a final
14 determination by the Court of this question in favor of the
15 defendant, such slot machine shall be immediately returned to
16 the defendant. Such order of forfeiture and disposition shall,
17 for the purposes of appeal, be a final order and judgment in a
18 civil proceeding.

19 (d) If a seizure pursuant to subparagraph (b) of this
20 Section is not followed by a charge pursuant to subparagraph
21 (c) of this Section, or if the prosecution of such charge is
22 permanently terminated or indefinitely discontinued without
23 any judgment of conviction or acquittal (1) the State's
24 Attorney shall commence an in rem proceeding for the forfeiture
25 and destruction of a gambling device, or for the forfeiture and
26 deposit in the general fund of the county of any seized money

1 or other things of value, or both, in the circuit court and (2)
2 any person having any property interest in such seized gambling
3 device, money or other thing of value may commence separate
4 civil proceedings in the manner provided by law.

5 (e) Any gambling device displayed for sale to a riverboat
6 gambling operation, casino gambling operation, or electronic
7 gaming facility or used to train occupational licensees of a
8 riverboat gambling operation, casino gambling operation, or
9 electronic gaming facility as authorized under the Illinois
10 ~~Riverboat~~ Gambling Act is exempt from seizure under this
11 Section.

12 (f) Any gambling equipment, devices and supplies provided
13 by a licensed supplier in accordance with the Illinois
14 ~~Riverboat~~ Gambling Act which are removed from a the riverboat,
15 casino, or electronic gaming facility for repair are exempt
16 from seizure under this Section.

17 (Source: P.A. 87-826.)

18 (720 ILCS 5/28-7) (from Ch. 38, par. 28-7)

19 Sec. 28-7. Gambling contracts void.

20 (a) All promises, notes, bills, bonds, covenants,
21 contracts, agreements, judgments, mortgages, or other
22 securities or conveyances made, given, granted, drawn, or
23 entered into, or executed by any person whatsoever, where the
24 whole or any part of the consideration thereof is for any money
25 or thing of value, won or obtained in violation of any Section

1 of this Article are null and void.

2 (b) Any obligation void under this Section may be set aside
3 and vacated by any court of competent jurisdiction, upon a
4 complaint filed for that purpose, by the person so granting,
5 giving, entering into, or executing the same, or by his
6 executors or administrators, or by any creditor, heir, legatee,
7 purchaser or other person interested therein; or if a judgment,
8 the same may be set aside on motion of any person stated above,
9 on due notice thereof given.

10 (c) No assignment of any obligation void under this Section
11 may in any manner affect the defense of the person giving,
12 granting, drawing, entering into or executing such obligation,
13 or the remedies of any person interested therein.

14 (d) This Section shall not prevent a licensed owner of a
15 riverboat gambling operation, casino gambling operation, or an
16 electronic gaming licensee under the Illinois Gambling Act and
17 the Illinois Horse Racing Act of 1975 from instituting a cause
18 of action to collect any amount due and owing under an
19 extension of credit to a ~~riverboat~~ gambling patron as
20 authorized under Section 11.1 of the Illinois Riverboat
21 Gambling Act.

22 (Source: P.A. 87-826.)

23 Section 90-55. The Eminent Domain Act is amended by
24 changing Section 15-5-46 as follows:

1 (735 ILCS 30/15-5-46)

2 Sec. 15-5-46. Eminent domain powers in new Acts. The
3 following provisions of law may include express grants of the
4 power to acquire property by condemnation or eminent domain:

5 Chicago Casino Development Authority Act; City of Chicago; for
6 the purposes of the Act.

7 Ottawa Port District Act; Ottawa Port District; for general
8 purposes.

9 (Source: P.A. 96-1522, eff. 2-14-11.)

10 Section 90-60. The Payday Loan Reform Act is amended by
11 changing Section 3-5 as follows:

12 (815 ILCS 122/3-5)

13 (Text of Section after amendment by P.A. 96-936)

14 Sec. 3-5. Licensure.

15 (a) A license to make a payday loan shall state the
16 address, including city and state, at which the business is to
17 be conducted and shall state fully the name of the licensee.
18 The license shall be conspicuously posted in the place of
19 business of the licensee and shall not be transferable or
20 assignable.

21 (b) An application for a license shall be in writing and in
22 a form prescribed by the Secretary. The Secretary may not issue
23 a payday loan license unless and until the following findings

1 are made:

2 (1) that the financial responsibility, experience,
3 character, and general fitness of the applicant are such as
4 to command the confidence of the public and to warrant the
5 belief that the business will be operated lawfully and
6 fairly and within the provisions and purposes of this Act;
7 and

8 (2) that the applicant has submitted such other
9 information as the Secretary may deem necessary.

10 (c) A license shall be issued for no longer than one year,
11 and no renewal of a license may be provided if a licensee has
12 substantially violated this Act and has not cured the violation
13 to the satisfaction of the Department.

14 (d) A licensee shall appoint, in writing, the Secretary as
15 attorney-in-fact upon whom all lawful process against the
16 licensee may be served with the same legal force and validity
17 as if served on the licensee. A copy of the written
18 appointment, duly certified, shall be filed in the office of
19 the Secretary, and a copy thereof certified by the Secretary
20 shall be sufficient evidence to subject a licensee to
21 jurisdiction in a court of law. This appointment shall remain
22 in effect while any liability remains outstanding in this State
23 against the licensee. When summons is served upon the Secretary
24 as attorney-in-fact for a licensee, the Secretary shall
25 immediately notify the licensee by registered mail, enclosing
26 the summons and specifying the hour and day of service.

1 (e) A licensee must pay an annual fee of \$1,000. In
2 addition to the license fee, the reasonable expense of any
3 examination or hearing by the Secretary under any provisions of
4 this Act shall be borne by the licensee. If a licensee fails to
5 renew its license by December 31, its license shall
6 automatically expire; however, the Secretary, in his or her
7 discretion, may reinstate an expired license upon:

8 (1) payment of the annual fee within 30 days of the
9 date of expiration; and

10 (2) proof of good cause for failure to renew.

11 (f) Not more than one place of business shall be maintained
12 under the same license, but the Secretary may issue more than
13 one license to the same licensee upon compliance with all the
14 provisions of this Act governing issuance of a single license.
15 The location, except those locations already in existence as of
16 June 1, 2005, may not be within one mile of a horse race track
17 subject to the Illinois Horse Racing Act of 1975, within one
18 mile of a facility at which gambling is conducted under the
19 Illinois ~~Riverboat~~ Gambling Act, within one mile of the
20 location at which a riverboat subject to the Illinois ~~Riverboat~~
21 Gambling Act docks, or within one mile of any State of Illinois
22 or United States military base or naval installation.

23 (g) No licensee shall conduct the business of making loans
24 under this Act within any office, suite, room, or place of
25 business in which (1) any loans are offered or made under the
26 Consumer Installment Loan Act other than title secured loans as

1 defined in subsection (a) of Section 15 of the Consumer
2 Installment Loan Act and governed by Title 38, Section 110.330
3 of the Illinois Administrative Code or (2) any other business
4 is solicited or engaged in unless the other business is
5 licensed by the Department or, in the opinion of the Secretary,
6 the other business would not be contrary to the best interests
7 of consumers and is authorized by the Secretary in writing.

8 (g-5) Notwithstanding subsection (g) of this Section, a
9 licensee may obtain a license under the Consumer Installment
10 Loan Act (CILA) for the exclusive purpose and use of making
11 title secured loans, as defined in subsection (a) of Section 15
12 of CILA and governed by Title 38, Section 110.300 of the
13 Illinois Administrative Code. A licensee may continue to
14 service Consumer Installment Loan Act loans that were
15 outstanding as of the effective date of this amendatory Act of
16 the 96th General Assembly.

17 (h) The Secretary shall maintain a list of licensees that
18 shall be available to interested consumers and lenders and the
19 public. The Secretary shall maintain a toll-free number whereby
20 consumers may obtain information about licensees. The
21 Secretary shall also establish a complaint process under which
22 an aggrieved consumer may file a complaint against a licensee
23 or non-licensee who violates any provision of this Act.

24 (Source: P.A. 96-936, eff. 3-21-11.)

25 Section 90-65. The Travel Promotion Consumer Protection

1 Act is amended by changing Section 2 as follows:

2 (815 ILCS 420/2) (from Ch. 121 1/2, par. 1852)

3 Sec. 2. Definitions.

4 (a) "Travel promoter" means a person, including a tour
5 operator, who sells, provides, furnishes, contracts for,
6 arranges or advertises that he or she will arrange wholesale or
7 retail transportation by air, land, sea or navigable stream,
8 either separately or in conjunction with other services.
9 "Travel promoter" does not include (1) an air carrier; (2) a
10 sea carrier; (3) an officially appointed agent of an air
11 carrier who is a member in good standing of the Airline
12 Reporting Corporation; (4) a travel promoter who has in force
13 \$1,000,000 or more of liability insurance coverage for
14 professional errors and omissions and a surety bond or
15 equivalent surety in the amount of \$100,000 or more for the
16 benefit of consumers in the event of a bankruptcy on the part
17 of the travel promoter; or (5) a riverboat subject to
18 regulation under the Illinois ~~Riverboat~~ Gambling Act.

19 (b) "Advertise" means to make any representation in the
20 solicitation of passengers and includes communication with
21 other members of the same partnership, corporation, joint
22 venture, association, organization, group or other entity.

23 (c) "Passenger" means a person on whose behalf money or
24 other consideration has been given or is to be given to
25 another, including another member of the same partnership,

1 corporation, joint venture, association, organization, group
2 or other entity, for travel.

3 (d) "Ticket or voucher" means a writing or combination of
4 writings which is itself good and sufficient to obtain
5 transportation and other services for which the passenger has
6 contracted.

7 (Source: P.A. 91-357, eff. 7-29-99.)

8 (30 ILCS 105/5.490 rep.)

9 Section 90-70. The State Finance Act is amended by
10 repealing Section 5.490.

11 (230 ILCS 5/54 rep.)

12 Section 90-75. The Illinois Horse Racing Act of 1975 is
13 amended by repealing Section 54.

14 ARTICLE 99.

15 Section 99-97. Severability. The provisions of this Act are
16 severable under Section 1.31 of the Statute on Statutes.

17 Section 999. Effective date. This Act takes effect upon
18 becoming law.