

SB3668



97TH GENERAL ASSEMBLY

State of Illinois

2011 and 2012

SB3668

Introduced 2/10/2012, by Sen. Terry Link

SYNOPSIS AS INTRODUCED:

20 ILCS 1605/7.12

230 ILCS 15/2

720 ILCS 5/28-1

from Ch. 85, par. 2302

from Ch. 38, par. 28-1

Amends the Illinois Lottery Law. Makes a technical change in a Section concerning the internet pilot program. Amends the Raffles Act. Makes a technical change in a Section concerning licensing. Amends the Criminal Code of 1961. Makes a technical change in a Section concerning gambling.

LRB097 17155 AMC 62353 b

A BILL FOR

1 AN ACT concerning gambling.

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

4 Section 5. The Illinois Lottery Law is amended by changing
5 Section 7.12 as follows:

6 (20 ILCS 1605/7.12)

7 Sec. 7.12. Internet pilot program. The ~~The~~ General Assembly
8 finds that:

9 (1) the consumer market in Illinois has changed since
10 the creation of the Illinois State Lottery in 1974;

11 (2) the Internet has become an integral part of
12 everyday life for a significant number of Illinois
13 residents not only in regards to their professional life,
14 but also in regards to personal business and communication;
15 and

16 (3) the current practices of selling lottery tickets
17 does not appeal to the new form of market participants who
18 prefer to make purchases on the internet at their own
19 convenience.

20 It is the intent of the General Assembly to create an
21 Internet pilot program for the sale of lottery tickets to
22 capture this new form of market participant.

23 The Department shall create a pilot program that allows an

1 individual 18 years of age or older to purchase lottery tickets
2 or shares on the Internet without using a Lottery retailer with
3 on-line status, as those terms are defined by rule. The
4 Department shall restrict the sale of lottery tickets on the
5 Internet to transactions initiated and received or otherwise
6 made exclusively within the State of Illinois. The Department
7 shall adopt rules necessary for the administration of this
8 program. These rules shall include requirements for marketing
9 of the Lottery to infrequent players. The provisions of this
10 Act and the rules adopted under this Act shall apply to the
11 sale of lottery tickets or shares under this program.

12 Before beginning the pilot program, the Department of the
13 Lottery must submit a request to the United States Department
14 of Justice for review of the State's plan to implement a pilot
15 program for the sale of lottery tickets on the Internet and its
16 propriety under federal law. The Department shall implement the
17 Internet pilot program only if the Department of Justice does
18 not object to the implementation of the program within a
19 reasonable period of time after its review.

20 The Department is obligated to implement the pilot program
21 set forth in this Section and Sections 7.15 and 7.16 only at
22 such time, and to such extent, that the Department of Justice
23 does not object to the implementation of the program within a
24 reasonable period of time after its review. While the Illinois
25 Lottery may only offer Lotto and Mega Millions games through
26 the pilot program, the Department shall request review from the

1 federal Department of Justice for the Illinois Lottery to sell
2 lottery tickets on the Internet on behalf of the State of
3 Illinois that are not limited to just these games.

4 The Department shall authorize the private manager to
5 implement and administer the program pursuant to the management
6 agreement entered into under Section 9.1 and in a manner
7 consistent with the provisions of this Section. If a private
8 manager has not been selected pursuant to Section 9.1 at the
9 time the Department is obligated to implement the pilot
10 program, then the Department shall not proceed with the pilot
11 program until after the selection of the private manager, at
12 which time the Department shall authorize the private manager
13 to implement and administer the program pursuant to the
14 management agreement entered into under Section 9.1 and in a
15 manner consistent with the provisions of this Section.

16 The pilot program shall last for not less than 36 months,
17 but not more than 48 months from the date of its initial
18 operation.

19 Nothing in this Section shall be construed as prohibiting
20 the Department from implementing and operating a website portal
21 whereby individuals who are 18 years of age or older with an
22 Illinois mailing address may apply to purchase lottery tickets
23 via subscription.

24 (Source: P.A. 96-34, eff. 7-13-09; 96-37, eff. 7-13-09; 96-840,
25 eff. 12-23-09; 97-464, eff. 10-15-11.)

1 Section 10. The Raffles Act is amended by changing Section
2 as follows:

3 (230 ILCS 15/2) (from Ch. 85, par. 2302)

4 Sec. 2. Licensing. (a) The ~~The~~ governing body of any county
5 or municipality within this State may establish a system for
6 the licensing of organizations to operate raffles. The
7 governing bodies of a county and one or more municipalities
8 may, pursuant to a written contract, jointly establish a system
9 for the licensing of organizations to operate raffles within
10 any area of contiguous territory not contained within the
11 corporate limits of a municipality which is not a party to such
12 contract. The governing bodies of two or more adjacent counties
13 or two or more adjacent municipalities located within a county
14 may, pursuant to a written contract, jointly establish a system
15 for the licensing of organizations to operate raffles within
16 the corporate limits of such counties or municipalities. The
17 licensing authority may establish special categories of
18 licenses and promulgate rules relating to the various
19 categories. The licensing system shall provide for limitations
20 upon (1) the aggregate retail value of all prizes or
21 merchandise awarded by a licensee in a single raffle, (2) the
22 maximum retail value of each prize awarded by a licensee in a
23 single raffle, (3) the maximum price which may be charged for
24 each raffle chance issued or sold and (4) the maximum number of
25 days during which chances may be issued or sold. The licensing

1 system may include a fee for each license in an amount to be
2 determined by the local governing body. Licenses issued
3 pursuant to this Act shall be valid for one raffle or for a
4 specified number of raffles to be conducted during a specified
5 period not to exceed one year and may be suspended or revoked
6 for any violation of this Act. A local governing body shall act
7 on a license application within 30 days from the date of
8 application. Nothing in this Act shall be construed to prohibit
9 a county or municipality from adopting rules or ordinances for
10 the operation of raffles that are more restrictive than
11 provided for in this Act. The governing body of a municipality
12 may authorize the sale of raffle chances only within the
13 borders of the municipality. The governing body of the county
14 may authorize the sale of raffle chances only in those areas
15 which are both within the borders of the county and outside the
16 borders of any municipality.

17 (b) Licenses shall be issued only to bona fide religious,
18 charitable, labor, business, fraternal, educational or
19 veterans' organizations that operate without profit to their
20 members and which have been in existence continuously for a
21 period of 5 years immediately before making application for a
22 license and which have had during that entire 5 year period a
23 bona fide membership engaged in carrying out their objects, or
24 to a non-profit fundraising organization that the licensing
25 authority determines is organized for the sole purpose of
26 providing financial assistance to an identified individual or

1 group of individuals suffering extreme financial hardship as
2 the result of an illness, disability, accident or disaster.

3 For purposes of this Act, the following definitions apply.

4 Non-profit: An organization or institution organized and
5 conducted on a not-for-profit basis with no personal profit
6 inuring to any one as a result of the operation. Charitable: An
7 organization or institution organized and operated to benefit
8 an indefinite number of the public. The service rendered to
9 those eligible for benefits must also confer some benefit on
10 the public. Educational: An organization or institution
11 organized and operated to provide systematic instruction in
12 useful branches of learning by methods common to schools and
13 institutions of learning which compare favorably in their scope
14 and intensity with the course of study presented in
15 tax-supported schools. Religious: Any church, congregation,
16 society, or organization founded for the purpose of religious
17 worship. Fraternal: An organization of persons having a common
18 interest, the primary interest of which is to both promote the
19 welfare of its members and to provide assistance to the general
20 public in such a way as to lessen the burdens of government by
21 caring for those that otherwise would be cared for by the
22 government. Veterans: An organization or association comprised
23 of members of which substantially all are individuals who are
24 veterans or spouses, widows, or widowers of veterans, the
25 primary purpose of which is to promote the welfare of its
26 members and to provide assistance to the general public in such

1 a way as to confer a public benefit. Labor: An organization
2 composed of workers organized with the objective of betterment
3 of the conditions of those engaged in such pursuit and the
4 development of a higher degree of efficiency in their
5 respective occupations. Business: A voluntary organization
6 composed of individuals and businesses who have joined together
7 to advance the commercial, financial, industrial and civic
8 interests of a community.

9 (Source: P.A. 86-820.)

10 Section 15. The Criminal Code of 1961 is amended by
11 changing Section 28-1 as 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 ~~the~~ result of any game,
19 contest, or any political nomination, appointment or
20 election; or

21 (3) Operates, keeps, owns, uses, purchases, exhibits,
22 rents, sells, bargains for the sale or lease of,
23 manufactures or distributes any gambling device; or

24 (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 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.)